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MEETING

STATE OF CALIFORNIA

INTEGRATED WASTE MANAGEMENT BOARD

SUSTAINABILITY AND MARKET DEVELOPMENT COMMITTEE

JOE SERNA, JR., CALEPA BUILDING

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COASTAL HEARING ROOM

SACRAMENTO, CALIFORNIA

THURSDAY, FEBRUARY 10, 2005

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PETERS SHORTHAND REPORTING CORPORATION (916) 362-2345

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Ms. Marie Carter, Chief Counsel

Mr. Pat Schiavo, Deputy Director

Ms. Patty Wohl, Deputy Director

Ms. Terri Edwards

Mr. Marshalle Graham

Mr. Mike Leao, Supervisor, Plastic Recycling Technologies

Ms. Kirsten McDonald

Mr. Phil Moralez, Branch Manager, Diversion, Planning &  
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Ms. Cara Morgan, Branch Manager, Diversion, Planning &  
Local Assistance, Office of Local Assistance

Mr. Bill Orr, Branch Manager, Recycling Technologies

Mr. Kyle Pogue

Ms. Julie Trueblood

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APPEARANCES CONTINUED

ALSO PRESENT

Mr. Larry Buckle, City of Lincoln

Mr. Dan de Grassi, Santa Cruz County Department of Public Works

Mr. Evan Edgar, Zanke Road/2-Best Landfill

Ms. Laurie Hansen, Film & Bag Federation, California Film Extruders

Mr. George Larson, Plastic Energy

Ms. Laurie Nelson, The Clorox Company

Mr. Pete Price, Poly America

Mr. Tim Shestek, American Chemistry Council

Mr. Scott Smithline, Californians Against Waste

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INDEX	PAGE
Roll And Declaration Of Quorum	1
A. Waste Prevention And Market Development Deputy Director's Report	2
B. Consideration Of Applications To Renew The Following Recycling Market Development Zone Designations: (1) Fresno County; (2) Madera County; and (3) Placer County -- (February Board Item 12) 6 2005-47	6
Motion	9
Vote	9
2005-48	
Motion	9
Vote	9
2005-49	
Motion	9
Vote	10
C. Consideration Of The Scoring Criteria And Evaluation Process For The Sustainable Building Tire Grant Program Fiscal Year 2004/2005 (California Tire Recycling Management Fund -- (February Board Item 13)	10
Motion	20
Vote	21
D. Consideration Of A Report To The Legislature: Plastic Trash Bag Program And A Comprehensive Approach To Film Plastic Diversion (Public Resources Code Section 42293 (b)) -- (February Board Item 14)	21
Motion	73
Vote	74
E. Diversion, Planning And Local Assistance Deputy Director's Report	75
F. Presentation On Waste Characterization Data And Its Potential For Identifying Opportunities For Additional Diversion -- (February Board Item 15)	81
G. Consideration of the Amended Nondisposal Facility Element for the Unincorporated Area of Los Angeles County -- (February Board Item 16)	81
Motion	81
Vote	82

INDEX CONTINUED

	PAGE
H. Consideration Of A Second SB1066 Time Extension Application By The Following Jurisdictions: El Dorado County Unincorporated And The City Of South Lake Tahoe, El Dorado County -- (February Board Item 17)	82
Motion	85
Vote	85
I. Consideration Of A Request To Change The Base Year To 2002 For The Previously Approved Source Reduction And Recycling Element For The City Of Lincoln -- (February Board Item 18)	85
Motion	89
Vote	89
J. Consideration Of The Adequacy Of The Five-Year Review Report Of The Countywide Integrated Waste Management Plan For The County Of Santa Cruz -- (February Board Item 19)	89
Motion	91
Vote	91
K. Consideration Of A Request To Change The Base Year To 2001 For The Previously Approved Source Reduction And Recycling Element; And Consideration Of The 2001/2002 Biennial Review Findings For The Source Reduction And Recycling Element And Household Hazardous Waste Element For The Sacramento County/City Of Citrus Heights Regional Agency, Sacramento County -- (February Board Item 20)	91
Motion	93
Vote	93
L. Consideration Of Scope Of Work And Interagency Agreement With The Department Of General Services For The Development And Integration Of State Contract And Procurement Registration System And The Electronic State Agency Buy Recycled Campaign Reporting System (IWMA Fund, FY 2004/2005) -- (February Board Item 21)	93
Motion	96
Vote	96
Adjournment	96
Reporter's Certificate	98

1 PROCEEDINGS

2 CHAIRPERSON PAPARIAN: Good afternoon, everybody.

3 This is the Sustainability and Market Development  
4 Committee.

5 To get us started, if we could have a roll call  
6 please.

7 SECRETARY KUMPULAINIEN: Members Marin?

8 COMMITTEE MEMBER MARIN: Present.

9 SECRETARY KUMPULAINIEN: Mulé?

10 COMMITTEE MEMBER MULÉ: Here.

11 SECRETARY KUMPULAINIEN: Chair Paparian?

12 CHAIRPERSON PAPARIAN: Here.

13 And just as a reminder, if you could turn off  
14 your cell phones or put them on silent mode, that would be  
15 most appreciated.

16 There are speaker slips in the back of the room  
17 if you want to speak on any item. Fill one out and give  
18 it to Mrs. Kumpulainen here up at the front of the room.

19 On ex partes, there's one ex parte -- obviously  
20 ex parte for all of us. Pat Schiavo got a FAX from the  
21 City of Victorville, the Mayor of Victorville regarding  
22 biennial review findings for the City of Victorville.

23 Any other ex partes?

24 COMMITTEE MEMBER MULÉ: I'm up to date.

25 COMMITTEE MEMBER MARIN: I'm up to date.

1 CHAIRPERSON PAPARIAN: And other than that one,  
2 I'm up to date too.

3 I think we can get started.

4 Ms. Wohl.

5 DEPUTY DIRECTOR WOHL: Yes, good afternoon, Chair  
6 Paparian, committee members. Patty Wohl with the Waste  
7 Prevention and Market Development Division.

8 So I have several things I want to report on this  
9 morning, the first being that the Motion Picture  
10 Industry's Sustainability Forum took place last Friday on  
11 UCLA's campus. Over 150 people attended the forum, from a  
12 broad spectrum, including producers, directors, writers,  
13 set designers, location managers, major studios,  
14 entertainment services, media marketing, special effects  
15 companies, film companies, associations and guilds, the  
16 environmental community, the regulatory community, and of  
17 course professors and students.

18 I'd like to thank Chair Marin and Board Member  
19 Paparian for speaking. In addition, Cabinet Secretary  
20 Terry Tamminen filmed an introduction for the forum.

21 Other speakers included Ed Begley, Jr.,  
22 representatives from Disney and Fox, along with a variety  
23 of location managers and film commissioners.

24 We had some big names, people who've worked on  
25 features like the Lord of the Rings, Matrix, Dante's Peak,

1 a whole host of movies.

2 The forum generated a broad discussion of  
3 environmental issues in the motion picture and TV  
4 industry. The event was filmed by UCLA's School of  
5 Theater and Film, and so there's a possible use of that  
6 for a future documentary.

7 The next thing I'd like to report on is the  
8 Eco-landscape 2005 Conference. The conference was held on  
9 Saturday -- it's been a busy week for us -- on February  
10 5th in Sacramento. The event focused on the importance of  
11 designing and maintaining urban landscapes and conserving  
12 water, reducing green waste, minimizing runoff, things of  
13 that nature.

14 Major sponsors in addition to the Waste Board:  
15 The Ecological Farming Association, City of Sacramento  
16 Department of Utilities, Sacramento County Department of  
17 Water Resources, and the Sacramento Area Flood Control.

18 We had over 300 people in attendance, and the  
19 speakers and vendors were well received by the audience.

20 Several speakers discussed how sustainable  
21 landscaping can reduce green waste and the importance of  
22 using compost as a soil amendment to improve health.

23 In addition, I think last month I mentioned that  
24 biocycle was coming up. So that is March 7th, 8th and 9th  
25 in San Francisco. There's a one-day training session on



1 urban and suburban storm water management using  
2 compost-based management practices -- best management  
3 practices. Staff will be presenting at the conference.  
4 This training is being marketed to target landscape  
5 contractors, storm water utilities, watershed groups, land  
6 developers and conservation districts.

7 Registrants to the biocycle conference can attend  
8 this workshop as part of their general registration. So  
9 that should be good.

10 Both of these are excellent examples of promoting  
11 the cross-media benefits of compost and mulch use. So  
12 that's been positive.

13 And then, lastly, I think last month I mentioned  
14 that the RMDZ Loan Program sent out a notice of funds of  
15 availability to 400 recycling manufacturers located in the  
16 39 recycling zones. As a result, one loan application has  
17 been received, and that is scheduled for March; and a  
18 second application is being analyzed by the loan staff.  
19 And, in addition, we have 19 other recycling businesses  
20 that have called to learn more about the loan program. So  
21 we've had, you know, some response to that. So that's  
22 very positive. We're optimistic we'll be bringing more  
23 loans forward in the future.

24 And that concludes my report, if there are any  
25 questions.

1           CHAIRPERSON PAPARIAN: Thank you, Patty.

2           Could you remind the whole Committee about the  
3 RMDZ agenda items that we're planning have in the coming  
4 months.

5           DEPUTY DIRECTOR WOHL: Not this -- I didn't  
6 mention it this Committee meeting, but we did talk about  
7 it at the last one.

8           CHAIRPERSON PAPARIAN: Right.

9           DEPUTY DIRECTOR WOHL: And so that will be in  
10 March. I believe the meeting date's the 8th, right? And  
11 it's the afternoon. We will have an RMDZ workshop to sort  
12 of highlight the zone administrator's role, the companies  
13 we help, and then the staff's role with that.

14          CHAIRPERSON PAPARIAN: Great. Thank you.

15          Okay. Any questions before we --

16          COMMITTEE MEMBER MARIN: I should just add that  
17 given our tremendous success in this film-related  
18 activity, you and I should be getting some kind of  
19 recognition for acting.

20          (Laughter.)

21          CHAIRPERSON PAPARIAN: Here, I hand you the gavel  
22 Oscar.

23          DEPUTY DIRECTOR WOHL: You guys weren't acting,  
24 were you?

25          (Laughter.)

1           DEPUTY DIRECTOR WOHL: I thought that was  
2 sincere.

3           CHAIRPERSON PAPARIAN: Yeah. I know, I never  
4 fake it.

5           Go ahead.

6           DEPUTY DIRECTOR WOHL: Okay. If there are no  
7 more questions, I'll move on to today's agenda.

8           So the first one is Item 12 in your book or  
9 Agenda Item B on the Committee's schedule. Consideration  
10 of applications to renew the following recycling market  
11 development zone designations for:

- 12           1) Fresno County;  
13           2) Madera County; and  
14           3) Placer County.

15           And Julie Trueblood will present.

16           MS. TRUEBLOOD: Good afternoon, Chair Paparian  
17 and Committee members. My name's Julie Trueblood and I'm  
18 presenting Agenda Item B, which addresses ten-year  
19 renewals for three recycling market development zones:  
20 Fresno, Madera, and Placer county.

21           Throughout the last ten years zone administrators  
22 and staff have provided technical and financial assistance  
23 to over 100 companies in these zones. Over \$5.4 million  
24 in RMDZ loans have been used by manufacturing within these  
25 zones to divert materials from California landfills.

1           Fresno County's zone administrator, Leslie Kline,  
2 who's here today, has coordinated 17 jurisdictions, the  
3 whole county, in renewing this zone. Her department plans  
4 to use the RMDZ program for something new in addition to  
5 what they are already doing.

6           An abundance of pine needles and brush will soon  
7 be ground into mulch and used by a local ski resort as an  
8 alternative to hay for slope insulation. If this test  
9 works, homeowners near the ski resort will have found a  
10 way to manage this material through market development  
11 rather than relying on disposal.

12           The Madera County Zone, which has also been very  
13 active, looks forward to continue using this program to  
14 create jobs in one of California's most chronically  
15 unemployed regions.

16           In Placer County the zone administrator, who may  
17 be here, Bobbi Park, works in collaboration with many  
18 regional and statewide partners through the Placer County  
19 Business Consortium. This advocacy group provides  
20 communications between the county, its cities and the  
21 business community.

22           With help from the RMDZ program, Placer County  
23 has also partnered with Sierra College's SBDC to develop a  
24 20-part patent process training program for inventors to  
25 help them -- help and encourage them through this often

1 complicated process.

2           These three zones are due to expire at the end of  
3 this month. So that they may continue using RMDZ  
4 services, staff recommends that the Board approve Option 1  
5 for each zone, granting three ten-year renewals. The  
6 resolution numbers are 47, 48 and 49.

7           Thank you.

8           CHAIRPERSON PAPARIAN: Thank you.

9           Any questions?

10          Did you want to add anything, Ms. Kline? Now, I  
11 know you're doing good work there.

12          And we appreciate you pointing out the geography  
13 of California in the agenda item, the geographic center of  
14 California being in Madera County.

15          COMMITTEE MEMBER MARIN: I don't have a question,  
16 but I have a comment. Because I had heard about this  
17 particular effort of the pine needles, their finding of  
18 great use for that, I want to go and visit that particular  
19 program. I don't know when staff mentioned it to me. But  
20 I think it's pretty remarkable, you know, when we have a  
21 resource that now we're finding a better use, that I  
22 just -- I do have to commend you for that. I think it's  
23 brilliant. So thank you very, very much.

24          I'll be moving the item, Mr. Chairman, if you  
25 need a motion.

1 CHAIRPERSON PAPARIAN: We have three agenda  
2 items. Can we take them all at once?

3 CHIEF COUNSEL CARTER: It might just be more  
4 careful if you take one at a time then. And then there's  
5 no confusion as to --

6 CHAIRPERSON PAPARIAN: Okay. So Chair Marin  
7 moves Resolution 2005-47.

8 COMMITTEE MEMBER MULÉ: Second.

9 CHAIRPERSON PAPARIAN: And there's been a motion  
10 and a second.

11 Call the roll.

12 SECRETARY KUMPULAINIEN: Marin?

13 COMMITTEE MEMBER MARIN: Aye.

14 SECRETARY KUMPULAINIEN: Mulé.

15 COMMITTEE MEMBER MULÉ: Aye.

16 SECRETARY KUMPULAINIEN: Paparian?

17 CHAIRPERSON PAPARIAN: Aye.

18 And then --

19 COMMITTEE MEMBER MARIN: -- 48.

20 CHAIRPERSON PAPARIAN: -- there's a motion on 48  
21 from chair Marin.

22 COMMITTEE MEMBER MULÉ: Second.

23 CHAIRPERSON PAPARIAN: Seconded by Member Mulé.

24 We'll substitute the previous roll call.

25 Board Chair Marin also moves Resolution 2005-49.

1 COMMITTEE MEMBER MULÉ: Second.

2 CHAIRPERSON PAPARIAN: Seconded by Mulé.

3 And we'll substitute the previous roll call on  
4 that.

5 So we have three resolutions, which all can go on  
6 consent.

7 DEPUTY DIRECTOR WOHL: Okay. The next item is  
8 Agenda Item 13 or C on your Committee agenda.  
9 Consideration of the scoring criteria and evaluation  
10 process for the Sustainable Building Tire Grant Program,  
11 Fiscal Year 2004-2005.

12 And Kristen McDonald will present.

13 MS. McDONALD: Good afternoon, Chair Paparian and  
14 Committee members. I'm Kristen McDonald with the Board's  
15 Sustainable Building Program.

16 This agenda item asks for your consideration of  
17 the Sustainable Building Tire Grant Scoring Criteria and  
18 Evaluation Process.

19 At the May 2003 Board meeting the Board adopted  
20 the revised five-year plan, second addition, covering  
21 fiscal years 2003 through 2008. This plan provided a  
22 funding allocation of \$300,000 for fiscal year '04-'05 to  
23 the Sustainable Building Program to assist in the  
24 development of markets and new technologies for California  
25 waste tires.

1           This grant solicitation is available to state and  
2 local government agencies and nonprofit organizations. Of  
3 the \$300,000 available for solicitation, each jurisdiction  
4 will be allowed to apply for -- to submit one application  
5 for a maximum of \$75,000 and will need to receive a  
6 minimum score of 75 points out of 100 to be eligible for  
7 potential funding.

8           The evaluation process is fairly standard. The  
9 proposals will be scored, ranked and awarded on a  
10 competitive basis based on their score.

11           The grants are intended to advance the use of  
12 California waste tires products in sustainable building  
13 projects and encourage the creative application and  
14 inclusion of waste tire products into construction  
15 projects, both indoors and outdoors.

16           We intend to bring the award item for your  
17 consideration at the June Board meeting.

18           With that, staff recommends adoption of  
19 Resolution 2005-50, consideration of the scoring criteria  
20 and evaluation process for Sustainable Building Tire Grant  
21 Program, Fiscal Year '04-'05.

22           CHAIRPERSON PAPARIAN: Question?

23           Board Member Mulé.

24           COMMITTEE MEMBER MULÉ: Yes. Kristen, is this  
25 the first year we're doing this or the second, this



1 particular grant?

2 MS. McDONALD: We -- this is the first year for a  
3 grant solicitation -- a competitive grant solicitation  
4 with these funds. We did a competitive contract RFP with  
5 them with a combination of IWMA money and tire money the  
6 first year that we got the tire money. And then we've  
7 pretty much just done direct grants, so noncompetitive  
8 grants, the previous years.

9 COMMITTEE MEMBER MULÉ: Right. And when we did  
10 the noncompetitive grants, that was with the IWM funds,  
11 correct?

12 MS. McDONALD: That was with the tire funds.

13 COMMITTEE MEMBER MULÉ: Oh, that was with tire  
14 funds?

15 MS. McDONALD: Um-hmm.

16 COMMITTEE MEMBER MULÉ: So how many years have we  
17 been doing this particular grant with tire funds?

18 MS. McDONALD: I think 2002 was when we got our  
19 first award. I can double check on that. But I think it  
20 was April of 2002 was when we went for our contracts.

21 COMMITTEE MEMBER MULÉ: Right. And so this is  
22 the first year we're just doing like a completely  
23 competitive grant process?

24 MS. McDONALD: Yes.

25 COMMITTEE MEMBER MULÉ: Okay. And just as far

1 as -- how many grant applications have we received in the  
2 past when it was noncompetitive?

3 MS. McDONALD: When it was noncompetitive? We  
4 actually did them with local governments and state  
5 agencies. So we kind of sought them out and had them do  
6 projects with tires. Part of that is because when we had  
7 the contracts the first time, we had a really difficult  
8 time. There's not a lot of products that are out there,  
9 building products that are made with waste tires. And  
10 specifically with California waste tires, which is a  
11 requirement of this.

12 And so our contractors had a really difficult  
13 time finding creative uses for building projects --  
14 building projects. So we found state agencies that  
15 were -- that could use them for specific purposes. And  
16 that's kind of what we did up until now. So we're trying  
17 the competitive market again.

18 COMMITTEE MEMBER MULÉ: All right. Thank you.

19 CHAIRPERSON PAPARIAN: Chair Marin.

20 COMMITTEE MEMBER MARIN: Yeah, Mr. Chairman, one  
21 of the things that I wanted to ask was about the Building  
22 Materials Emission Study that -- how would that relate  
23 to what we're attempting to do right now?

24 Oh, go ahead.

25 RECYCLING TECHNOLOGIES BRANCH MANAGER ORR: This

1 is Bill Orr, Recycling Technologies Branch.

2 Does that one work?

3 Bill Orr, Recycling Technologies Branch.

4 In terms of how it relates to the Building  
5 Materials Emissions Study, if you look in the criteria it  
6 actually indicates that for indoor products that the  
7 application should focus on areas that have large volume  
8 and good ventilation, and that's based on the findings of  
9 that study. And in the -- and in addition to that, we're  
10 currently conducting a follow-up study with OEHHA and the  
11 Department of Health Services to do additional testing.

12 But how it's addressed here is through that  
13 requirement that they focus on certain applications for  
14 interior use.

15 COMMITTEE MEMBER MARIN: Okay. Thank you.

16 CHAIRPERSON PAPARIAN: Let me just -- in the past  
17 we've had IWMA money to do either noncompetitive grants or  
18 combined in some way. You know, we don't have any IWMA  
19 money available at the moment for this, right?

20 MS. McDONALD: Right.

21 CHAIRPERSON PAPARIAN: Okay. And, you know, who  
22 knows what the situation may be in the future, whether we  
23 have available funds or not.

24 If we had available funds from redirect this  
25 year, is it possible to get some IWMA funds into this

1 program, or would we have to look at next year?

2           DEPUTY DIRECTOR WOHL: I think -- depending if we  
3 were to know fairly soon, we would like to be able to  
4 modify this one so that we could potentially add some.  
5 We've done it in the past where we've had a combination of  
6 funds. And then we would -- we could do a more holistic  
7 view of green building, which is a little better than just  
8 focusing on tires. But there would be a point -- I think  
9 we're shooting for June. So there would be a point where  
10 if -- if we knew, we could just go out for a larger  
11 amount.

12           CHAIRPERSON PAPARIAN: Yeah, it seems like this  
13 would be a natural one for that because of the, you know,  
14 combination of products that are used in the building  
15 environment.

16           Okay. Anything else on this?

17           COMMITTEE MEMBER MARIN: You know, I don't know  
18 how we set the amount of \$300,000. I don't know whether  
19 it's too much or too little. I mean I understand -- I  
20 really don't know whether this is going to be  
21 oversubscribed, or do we anticipate -- I don't know what  
22 \$75,000 will do to an entity. You know, probably one  
23 project, very minute. I don't know.

24           For me in -- I'm so sorry, Mr. Chairman. But I  
25 always go back to how will we know that if we spend

1 \$300,000 -- and I know that what we're attempting to do is  
2 create a market for this. But what I'm always puzzled by  
3 is how then do we know that this was successful? How many  
4 tires are we trying to get rid of by promoting this? Or  
5 maybe that's not even an issue. But I'd like to know how  
6 will we know -- how will we be able to evaluate that this  
7 was a successful expenditure of \$300,000, even in the  
8 small amounts of 10,000 or 75,000? How would we know  
9 that?

10 MS. McDONALD: We're -- they will be providing  
11 evaluation reports at the end. And I think we talked  
12 about this a few Board meetings ago when we brought some  
13 stuff in front of you. For the next five years, they'll  
14 be required to kind of give us some information on how  
15 it's held up; the availability of the products; the ease  
16 of finding it, installing it, maintaining it; you know,  
17 how it's received by -- at least for our parks and rec 1)  
18 how it was received by the people who came to the parks  
19 and -- so that's kind of how we're trying to evaluate some  
20 of it, is --

21 COMMITTEE MEMBER MARIN: Do we ourselves have a  
22 goal?

23 DEPUTY DIRECTOR WOHL: Sure. Maybe I can add,  
24 that the original amount is set through the five-year tire  
25 plan process. So they make a determination there. They

1 have increased it slightly each year. We have -- you  
2 know, we have several kind of things we're looking at.  
3 We're looking at making sure that these tire products  
4 perform the way they're supposed to, so then we feel a  
5 little bit more comfortable pushing them to organizations.  
6 So that's part of what Kristen talking about. We're going  
7 to get some evaluation: Did it perform as well? Did it  
8 last longer? Things like that. Then we can really make  
9 those better selling points.

10 I think an example though to say is that -- like  
11 last year, we gave I think it was a hundred and -- or it  
12 resulted in \$150,000 of the Youth Authority buying  
13 tire-derived mats. We didn't give them all that money,  
14 but they in addition added to that. As part of that, they  
15 went to one of our RMDZ companies and grant companies and  
16 bought that product from them. So what we find out is,  
17 you know, we do know how many tires were used. We also  
18 know that we helped out a company, you know, that may be  
19 struggling in that situation. And also got somebody --  
20 you know, a big purchaser familiar with that product.

21 So it's kind of a win in a lot of different ways.  
22 But, yeah, we are able to go back, depending on what they  
23 buy, and calculate how many tires that is. But what we're  
24 trying to do is kind of increase the market so that  
25 they're -- they're willing to go out and buy these

1 products on their own eventually. And that's our goal.

2 COMMITTEE MEMBER MARIN: So maybe -- and I was  
3 going to interrupt you. I'm glad I didn't. But one of  
4 the things that I'm looking for every time we are going to  
5 be granting monies in one way or another, if this is going  
6 to be a research project -- because what we're attempting  
7 to do is develop a market, then how are we going to  
8 evaluate this research? What will make it -- you know, if  
9 we spent \$300,000, what are we getting from that, if it is  
10 going to be a market increase of 2 percent -- however, I'm  
11 looking for ways -- how do we know -- what are the results  
12 that we're looking for?

13 COMMITTEE MEMBER MULÉ: Measurable outcomes.

14 COMMITTEE MEMBER MARIN: Yeah, that's -- and I'm  
15 sorry, Mr. Chairman, but -- and I'm sorry, but that's one  
16 of the things that I want to ask and I'm going to ask  
17 every time. And I don't mean to put you on the spot, and  
18 I'm so sorry about that. But I think that if we push  
19 forward with -- we're asking taxpayers of California to  
20 spend \$300,000. What are we going to give them at the end  
21 of the day for that? And if it is the way -- you know, at  
22 the end of this expenditure we're going to be able to  
23 increase the market of used tires in five years by 10  
24 percent, and that is our goal, we may or may not achieve  
25 that, but it's something that we are looking forward for.

1 So -- it's beyond this particular program. Okay?

2 But I don't have a problem with this particular  
3 item, Mr. Chairman. It's just the bigger picture that I  
4 want everybody to move toward.

5 DEPUTY DIRECTOR WOHL: And we're definitely  
6 interested in measurement. And in fact, you know, when we  
7 brought that market development action plan forward, ever  
8 since then we've been working on a measurement system.  
9 And we have three programs in pilot right now, green  
10 building being one of them.

11 And so we're looking at measurements and then  
12 even taking them, you know, through -- there's a NERC  
13 calculator out there to figure out, you know, what are  
14 they doing as far as greenhouse gases, what are they doing  
15 about saving energy, whatever; and trying to translate our  
16 day-to-day actions into those. You know, it's a little  
17 more difficult with markets. But we understand the need  
18 and your concern with trying to tie that down. So we are  
19 working on that.

20 COMMITTEE MEMBER MULÉ: If I can, Mr. Chair.

21 CHAIRPERSON PAPARIAN: Go ahead.

22 COMMITTEE MEMBER MULÉ: Thank you, Mr. Chair.

23 Patty, and I think the example that you just gave  
24 of last year and the Youth Authority purchasing from a  
25 company that we've supported through RMDZ, I mean that's



1 exactly the kind of outcome -- measurable outcome that we  
2 want to see. And I think that's what Board Chair is  
3 saying. And I completely agree with you. I think  
4 everything we do we should be able to measure it in some  
5 way, shape or form, to the best of our ability, because we  
6 do have a responsibility to let the taxpayers of this  
7 State know how their money is being spent.

8           So I completely agree with you. And it sounds  
9 like you're doing it, you know, you are measuring the  
10 results. But I think maybe we just -- you know, we just  
11 need to continue to see those evaluation reports to see  
12 how successful we've been.

13           DEPUTY DIRECTOR WOHL: Yeah. And it might be the  
14 timing, you know. For example, this is the process for  
15 this one, and until they buy the products and we see what  
16 happens, we don't know. But maybe we should be talking  
17 about last year's what we had got out of it so that you  
18 can see the value to continue throughout. So we'll make a  
19 point of doing that.

20           CHAIRPERSON PAPARIAN: Okay. Thank you.

21           COMMITTEE MEMBER MULÉ: With that, I --

22           CHAIRPERSON PAPARIAN: Go ahead, yes.

23           COMMITTEE MEMBER MULÉ: -- yeah, I'd like to move  
24 Resolution 2005-50.

25           COMMITTEE MEMBER MARIN: Second.

1 CHAIRPERSON PAPARIAN: Okay. It's been moved and  
2 seconded.

3 We'll substitute the previous roll call and -- I  
4 think we can put this one on consent.

5 DEPUTY DIRECTOR WOHL: Okay. Then our third  
6 item, which is Agenda Item 14, Committee Item D,  
7 consideration of a report to the Legislature: Plastic  
8 Trash Bag Program and a Comprehensive Approach to Film  
9 Plastic Diversion.

10 And Mike Leason will present.

11 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEASON:  
12 Thank you, Patty.

13 Good afternoon, Mr. Chairman, Committee members.

14 Before I start my presentation, we do have a  
15 handout we'd like to distribute. It's a list of specified  
16 changes that staff will be asking the Committee to adopt  
17 as a part of the report. And I will be covering these  
18 changes in my presentation.

19 We also have a hard copy available at the back of  
20 the room.

21 (Thereupon an overhead presentation was  
22 Presented as follows.)

23 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEASON:  
24 Okay. I'll start my presentation. And I'd like  
25 to begin by looking at the data from the 2003 Waste

1 Characterization Study. That report demonstrated that  
2 plastics is 9.5 percent of the overall disposed waste  
3 stream. This is an increase from 8.9 percent in 1999.  
4 Plastics category is the fourth largest disposed category  
5 in California landfills.

6 --o0o--

7 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

8 Regarding film specifically, film is about half  
9 of the plastics waste category itself. And the largest  
10 categories within film are other film, which was 21  
11 percent; plastic trash bags at 10 percent; non-commercial  
12 and industrial packaging film, which is transport  
13 packaging such as shrink wrap, bubble wrap and mattress  
14 bags, was 7.62 percent; plastic grocery bags and  
15 merchandise bags was 3.8 percent; and other film products  
16 such as ag film and construction film was 2.4 percent.

17 But what I think these numbers illustrate is that  
18 plastics is a large component of the waste stream. Film  
19 itself, about 4 percent -- well, over 4 percent -- and it  
20 is an important category of material for us to be focusing  
21 on collecting and recycling.

22 --o0o--

23 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

24 Regarding the report itself. This report was  
25 originally due to the Legislature in 2001. However, the

1 Board decided to defer the report pending the results of  
2 the plastics white paper process. That paper was  
3 developed with significant input from stakeholders through  
4 2002.

5 The report recommended that a more comprehensive  
6 solution be found for managing plastic film and also  
7 recommended the repeal of the Trash Bag Law. The Board  
8 accepted the plastics white paper report at its June 2003  
9 meeting, and at that time made a policy decision not to  
10 repeal the Trash Bag Law until there was a more  
11 comprehensive solution for managing film in place.

12 Subsequent to that, the Board staff updated and  
13 revised the trash bag legislative report and released a  
14 revised version in August of 2004. That version of the  
15 report included an expanded certification program for all  
16 film plastics. And noncompliant companies through that  
17 certification would become subject to a mill fee.

18 --o0o--

19 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

20 There was a significant controversy surrounding  
21 those recommendations with the stakeholders.  
22 Consequently, Board staff held a workshop on October 27th,  
23 2004. And stakeholders provided the following feedback:  
24 They would like the Board to eliminate the individual  
25 company certification, not pursue a minimum content

1 program; and felt that instead the Board's efforts were  
2 better focused on voluntary efforts to increase film  
3 collection and recycling, and to focus on open loop  
4 recycling opportunities such as plastic lumber.

5 --o0o--

6 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

7 Taking that feedback into account, staff did  
8 revise the report and included a voluntary approach. And  
9 this report was released on December 17th of 2004. And  
10 the voluntary approach that staff was recommending is to  
11 develop and negotiate a memorandum of understanding with  
12 key stakeholders. And these MOU's would set forth short,  
13 medium and long-term goals to increase the collection and  
14 recycling of film plastics. And we feel the MOU's provide  
15 structure and clear lines of responsibility for the  
16 voluntary approach and we feel that it's very important  
17 that that be included.

18 As a contingency measure the report also includes  
19 being imposition of a mill fee in the event that we're  
20 unsuccessful in negotiating MOU's, or that the goals set  
21 forth in those MOU's are not met. The mill fee would be  
22 used to fund programs and projects to increase film  
23 collection and recycling.

24 However, I do want to emphasize that the report  
25 that's before the Board today is conceptual in nature and

1 that there will be opportunity for further public input  
2 during the legislative process.

3 --o0o--

4 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

5 I'd like to summarize some of the comments we  
6 received on the latest draft of the report.

7 Concerning the MOU concept itself, there was  
8 concern that the process to develop them is not clear and  
9 that there was not enough time given to develop them. And  
10 I'll respond to that in more detail a little bit later in  
11 my presentation. But we did agree that we needed to  
12 provide more clarity there.

13 Also, questions on: What authority does the  
14 Board have to require participation? What about conflict  
15 resolution process? And a response to that, since we  
16 moved away from the certification, we wouldn't require any  
17 one individual company to participate. Though we would  
18 like to engage stakeholders to help us bring in the key  
19 players that are needed to make the MOU successful.

20 As far as conflict resolution, we intend to use a  
21 consensus-building process. We would not be averse to  
22 bringing in a third-party facilitator. And, if necessary,  
23 if there were significant issues, we could bring those  
24 back before the Board before deferring to the  
25 implementation of a mill fee.

1           Also had comments on it wasn't fair to punish  
2 companies for nonperformance of a few others or the MOU is  
3 not enforceable. And we feel these comments are more  
4 germane to individual product manufacturer certification,  
5 and we want to move away from that concept with the MOU's.

6                               --o0o--

7           PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

8           Regarding the mill fee, there were questions  
9 about: What will it be used for? How will the mill fee  
10 be collected? Will importers be subject to the fee? And  
11 there was also concern that maybe this is just a pretext,  
12 the MOU process, and what the Board really wants is to  
13 impose the fee.

14           And I respond to you those -- the mill fee would  
15 be used for increasing plastic and film -- plastic film  
16 collection and recycling in California. The mill fee  
17 would be collected at the manufacturer, distributor, and  
18 wholesaler level. We would not want to collect the fee at  
19 the retail level. And if we had to implement that  
20 contingency, we may engage the Board of Equalization to  
21 help us set up the collection of that fee.

22                               --o0o--

23           PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

24           We do envision that importers would be subject to  
25 the fee. And we believe we can capture them at the

1 wholesaler level.

2           And regarding to that last point, you know, I  
3 want to emphasize that the Board has been committed to a  
4 public process and we continue to be committed to the  
5 public process. And we are indeed sincere that we want to  
6 negotiate successful MOU's.

7                               --o0o--

8           PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

9           Some other comments concern the use of  
10 post-consumer material in film products, a lack of  
11 availability of that post-consumer material. And  
12 collecting and cleaning the post-consumer material is  
13 expensive. And I think those questions actually  
14 illustrate that there is a problem in the infrastructure  
15 and we need to address that problem.

16           In regard to the use of post-consumer material,  
17 again we would not be requiring any product used  
18 post-consumer material in this approach.

19           Regarding the biodegradable exemption, that  
20 exemption is a relic of the first iteration of the report  
21 that we released last August. And we no longer feel it's  
22 really germane to the voluntary approach that we're using.  
23 So we are recommending that that exemption be removed.

24           And, finally, we had some comments that the MOU  
25 process wouldn't give credit for source reduction. I



1 don't think that's necessarily the case. I think we would  
2 definitely like to look at source reduction opportunities.  
3 And we certainly applaud and encourage the innovation on  
4 the part of companies such as Clorox, which has introduced  
5 a new light-weighted bag. And I think we can look for  
6 roles for source reduction in the MOU process.

7 --o0o--

8 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

9 Before moving on, there was significant concern  
10 about public input. And, again, we are committed to that  
11 process. And I just wanted to take a minute to reflect on  
12 the process that we have engaged in in the past.

13 Concerning film management, we had a series of  
14 four workshops with stakeholders, and there was extensive  
15 public input into the white paper.

16 We held a workshop in July of 2003 focused on  
17 plastic film collection.

18 We held a workshop in October of 2003 where we  
19 brought together processors and trash bag manufacturers to  
20 examine the issues surrounding the use of post-consumer  
21 material, sourcing it, quality problems.

22 In October 2004 we held a workshop, again to  
23 refocus our efforts on how can we more effectively collect  
24 plastic film. We've had several follow-up workshops since  
25 that time. And of course we have our monthly interested

1 parties meetings as well.

2           Concerning the report itself, there was a  
3 workshop held in January of 2002. At that time the main  
4 issue was the post-consumer content requirement: Should  
5 it be increased or should it be left the same? The  
6 conclusion reached at that workshop was that it was not  
7 feasible to increase the minimum content requirement.

8           Subsequent to that of course the Board deferred  
9 the report pending the white paper. Then August 2004  
10 staff released the revised version of the draft report.

11                               --o0o--

12           PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

13           And this brings us to staff's recommendation.  
14 And you can follow along with that handout. The slide  
15 mirrors that handout.

16           Staff is asking that the Committee adopt Option 2  
17 with the following specific changes: That the  
18 biodegradable exemption language be eliminated from the  
19 report; and that staff clarify the report regarding time  
20 lines for suspension and repeal of the Trash Bag Law; and  
21 that the Board be granted the authority to suspend the law  
22 and repeal the law upon the execution of the MOU's.

23           Also we're recommending that the report be  
24 revised to allow the Board to retain the authority on the  
25 number of MOU's that will be negotiated and film products

1 covered in those MOU's. We recognize that we can't have  
2 one MOU that's going to cover all film products. That  
3 would be impractical. And that we also need to have some  
4 initial success and we need to focus on film products  
5 where we think we're going to achieve success and increase  
6 collection and recycling.

7 And, finally, we'll revise the report to clarify  
8 those timeframes for the MOU process.

9 --o0o--

10 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

11 Next steps through 2005. Should the Board adopt  
12 the report, we would make those changes to the report and  
13 any additional changes that the Board may direct and  
14 submit the report to Cal EPA. Cal EPA would then transmit  
15 the report through the Governor's office to the  
16 Legislature. And then the Legislature could act on the  
17 recommendations in the report. And Of course there's a  
18 whole public process involved with that. The bill would  
19 have to be passed by the Senate and the Assembly, then  
20 signed by the Governor before it becomes law.

21 We're hoping that that will happen and that we  
22 will have a bill in place come October 2005.

23 --o0o--

24 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

25 To go -- and I apologize. This slide is a little

1 out of focus. But just to look at the timeline in a  
2 little more detail, I did want to take the chance of try  
3 and provide additional clarity on what we're talking  
4 about.

5           The adoption of the legislation would take us  
6 through October of this year, of 2005. And we feel that  
7 we can begin informally working on developing the MOU's  
8 before there's actually legislation in place. Then the  
9 timeline calls for the MOU's to be negotiated and signed  
10 by the end of 2006. But if we begin the process  
11 informally right away, that gives us a 20-month window to  
12 negotiate the MOU's. It's my understanding that the --  
13 MOU took about a year to negotiate. And if we focus on  
14 plastic film products where we think we're going to have  
15 success, I think that's ample time to successfully  
16 negotiate those MOU's.

17           The implementation phase would follow for a  
18 period of two years, 2008 and -- 2007 and 2008. And since  
19 we're using our waste characterization study as our  
20 measuring stick, that study is -- the field studies  
21 for the next waste characterization study are scheduled to  
22 begin July 2008 and the field studies will be completed by  
23 July of 2009.

24           At that point the report would have to be  
25 prepared. It would probably take us into the fall of

1 2009. I think we would need to take some time to evaluate  
2 the MOU's using that data. And I would anticipate that  
3 would take us into the spring of 2010. And at that point  
4 we'd begin looking at what are our other opportunities for  
5 extending these MOU's, negotiating additional MOU's.

6 So I think what this timeline demonstrates is  
7 that it really is important for us to begin this process  
8 now. A further delay in the process could push back  
9 actual implementation of programs by another two to three  
10 years.

11 --o0o--

12 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

13 So, in summary, this report puts forth a  
14 conceptual approach for managing film plastic. I want to  
15 emphasize again that there will still be plenty of  
16 opportunity for additional public input during the  
17 legislative process. The implementation details will be  
18 worked out through the interested parties process.

19 And one more thing that I did want to add and  
20 emphasize today: Success is not implementing a mill fee.  
21 Success is increasing film plastic collection and  
22 recycling in California through a voluntary collaborative  
23 process, and we are committed to that.

24 That concludes my presentation. Thank you.

25 CHAIRPERSON PAPARIAN: Thank you.

1 I do have a few speakers.

2 Okay. I have four speakers. Dan de Grassi from  
3 Santa Cruz County Department of Public Works, followed by  
4 Pete Price, Scott Smithline and Laurie Nelson. And it  
5 looks like we may get one or two more.

6 Okay. Go ahead.

7 MR. de GRASSI: Yes. My name is Dan de Grassi.  
8 I'm with the Santa Cruz County Department of Public Works.  
9 I'm also the county liaison to the Central Coast Recycling  
10 Market Development Zone.

11 This past fall we began talking about the need in  
12 the Central Coast for a facility to deal with the acres  
13 and acres of ag film plastic that we get coming into our  
14 landfills. We would be very much supportive I think of  
15 having such a facility that could serve the Central Coast,  
16 if not located there. And I'm here to speak in support of  
17 the staff recommendation.

18 Thank you.

19 CHAIRPERSON PAPARIAN: Okay. Thank you.

20 Pete price.

21 MR. PRICE: Thank you, Mr. Chairman, members.  
22 Pete Price for Poly America.

23 Before I make my comments I'd like to respond to  
24 the -- or pick up on what the first gentleman said.

25 Poly America used to collect a large amount of ag

1 film in California and backhaul it to its facility in  
2 Texas. And we no longer do that because the ag film that  
3 is collected is going to other users, mainly --  
4 exclusively, I believe, composite lumber. So I think we  
5 would welcome anything that would lead to the collection  
6 of more ag film because it's causing a landfill problem.  
7 I assume you'd have a ready market in the composite lumber  
8 industry for more ag film.

9 I first want to say -- I want to thank the staff  
10 for all the work they've done. Poly America's been  
11 involved in this process from the beginning. And it's  
12 been a long process, but things have changed. And I want  
13 to acknowledge that this proposal before you now we think  
14 is, you know, substantially better. It acknowledges that  
15 we can solve this in a more voluntary way, asking industry  
16 what works best. And so we want to try to help make it  
17 work.

18 I do want to raise just a couple of issues and --  
19 actually I think Michael clarified a couple of things in  
20 his comments just today.

21 Let me say, first, regarding the mill fee, it was  
22 Poly America, if not others, that made the point that -- I  
23 understand the difficulty of developing an MOU with  
24 numerous participants and then having to determine  
25 individually who complies and who doesn't, as opposed to

1 whether the MOU overall has been met. But from the other  
2 side, it's -- just on its face it seems to us unfair if  
3 one participant does do their part in the MOU and is still  
4 assessed a mill fee because others perhaps might not. So  
5 we'd ask you to think carefully about that. And if this  
6 does come to pass, try to figure out a way to minimize  
7 that possible impact.

8           The existence of the mill fee does lead me to my  
9 second point, which Michael did address. And that's  
10 suspending versus repealing the Trash Bag Law. And I  
11 guess I just want to clarify here, because I won't make my  
12 points if -- when you say -- when an mOU is executed, as I  
13 see it you spend some time working with the potential MOU  
14 signers, participants. At some point you reach a stage  
15 where you've got some folks willing to sign on to the MOU.  
16 That's what I call executing an MOU. Is that -- if that's  
17 what you mean and you would then --

18           CHAIRPERSON PAPARIAN: Looks like staff is  
19 nodding that that is the case.

20           MR. PRICE: Yeah, right.

21           PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

22           Yes, that is our view, that it would be executed  
23 when it is signed by the parties to agree to it and the  
24 Board.

25           MR. PRICE: Well, we -- I appreciate that, and I



1 think that's a substantial step forward from our  
2 perspective. So we would support that proposal.

3           The last point, which Michael also may have  
4 addressed -- but I do want to take one minute just to  
5 speak on this. The idea of applying an MOU to trash  
6 bags -- and in the report in print -- not the changes you  
7 mentioned, David -- in print, it does mention in Table 3  
8 five categories that would be subject on an MOU, and one  
9 of those is trash bags. I believe the proposal now is to  
10 stay silent or leave open what kinds of products would be  
11 subject to an MOU. I only want to make this point:

12           You're going to have a very -- we're going to  
13 have a very difficult time fulfilling any MOU for trash  
14 bags for this reason:

15           We know -- because we've been going through this  
16 process for several years because of this fact, we know  
17 that meeting recycled content requirements in trash bags  
18 is very difficult, not only because we've lost a lot of  
19 the supply that we've in previous years had available to  
20 us, but because, you know, in retrospect 12 or 13 years  
21 after this law was passed I think we now know it would be  
22 tough to find a film plastic product more difficult to use  
23 recycled content in than trash bags. So recycled content  
24 is probably off the table in an MOU.

25           Source reduction's probably off the table. I

1 mean most companies are making these bags as thin as they  
2 can without losing the integrity of the product.

3 And, thirdly -- and trash bags are unique in this  
4 sense -- I don't know how you'd divert a trash bag from  
5 the landfill. Unlike any other product, it's sole purpose  
6 is to go to the landfill.

7 So our only concern -- we're happy to work with  
8 you, but we're having a hard time figuring out what we do  
9 to meat an MOU for trash bags. So we'll continue talking  
10 with staff as to how that might be worked out. But I do  
11 think an MOU just for trash bags would be kind of  
12 inherently difficult.

13 The last thing I want to say is we -- Poly  
14 America manufactures other products, film plastic  
15 products, and we're happy to work on an MOU process with  
16 those. Frankly, most of the recycled content we have  
17 collected over the years has gone into those other  
18 products because they are more forgiving. And so we do  
19 want to work with you on those.

20 And with that I'll conclude my comments. Thank  
21 you.

22 CHAIRPERSON PAPARIAN: Thank you.

23 Scott Smithline.

24 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

25 Mr. Chairman, can I respond just briefly?

1 CHAIRPERSON PAPARIAN: Yeah, go ahead.

2 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

3 In regard to a trash bag MOU, staff is not  
4 envisioning a separate MOU for trash bags. Though we  
5 would like the trash bag manufacturers to continue to  
6 participate in the process and look at appropriate roles  
7 for them to participate in other MOU's.

8 CHAIRPERSON PAPARIAN: Okay.

9 Go ahead.

10 MR. SMITHLINE: Chair Paparian, Board Member Mul  
11 and Chair Marin. Good afternoon. I'm Scott Smithline  
12 with Californians Against Waste.

13 We support the staff recommendation, including  
14 the recommended changes on this item.

15 I think it's important just to take a step back  
16 and remember why we're here. We have -- we do have a  
17 significant problem that's been outlined by your staff  
18 with film plastics and plastics in general going into the  
19 landfills. And unfortunately it seems to be increasing,  
20 the amount of plastic going into the landfills. And they  
21 are one of the materials with the lowest recycling rate.  
22 So I think it's very important that we're here discussing  
23 this item.

24 I think the good news is is that -- we really I  
25 think should be celebrating a little bit here today. I

1 think this represents a significant accomplishment, what  
2 we're discussing here today. And I think that is also in  
3 great part due to leadership of Board Member Mulé. We  
4 have been in -- Californians Against Waste has likewise  
5 been in this process for some time. And we very much  
6 appreciate your input and help guiding all the  
7 stakeholders through this process.

8           So, anyways, I think it is significant that what  
9 we all have come up with is a collaborative voluntary-type  
10 program as opposed to a top-down regulatory approach.  
11 That was where this process had been leading for some  
12 time.

13           However, I think we need to be careful to not try  
14 and solve all of the problems that may emerge in this  
15 process before we really have a process in front of us.  
16 The industry in their letters I think -- I must have read  
17 15 of them -- raised many valid points. And they've  
18 outlined a lot of the challenges that we will all face to  
19 implement this program. However, I think to really  
20 respond to those we are going to need the legitimacy of  
21 the statutory and regulatory process to move this -- to  
22 really address those issues. And that's not what we're  
23 doing here today. This is a report to the Legislature.

24           I think collectively what has been outlined is a  
25 very good solid basic plan to improve how we're handling

1 film plastics in the State of California. So I urge you  
2 to support the staff recommendation and move this forward.

3 Thank you.

4 CHAIRPERSON PAPARIAN: Thank you.

5 Laurie Nelson, followed by Laurie Hansen,  
6 followed by Tim Shestek.

7 MS. NELSON: Mr. Chair and members, Laurie Nelson  
8 on behalf of the Clorox Company headquartered in Oakland.

9 And we have been through a lot of changes with  
10 staff and with you Board members on this issue. And we  
11 want you to know that we really appreciate the effort that  
12 has gone into this approach. The recognition that the  
13 Trash Bag Law, because of a number of changes in the  
14 marketplace, technology, materials, is now obsolete and  
15 the fact that people have come to that recognition we're  
16 very appreciative of.

17 We're also appreciative of the fact that in  
18 response to comments they're now looking at suspending the  
19 Trash Bag Law as soon as possible in 2005 and looking at a  
20 repeal in 2006. And that's important for a number of  
21 reasons. This company has spent a lot of time and effort  
22 and money to comply with this. We have spent over half a  
23 million dollars a year to look for suppliers, sampling,  
24 lab testing, site testing. And that doesn't even count  
25 equipment changes. And those resources are limited. So

1 the more that we can take it away from obsolete laws and  
2 focus it on places where you really get a bang for the  
3 buck, we think it's better for everyone.

4 But I want you to know, as mentioned briefly  
5 earlier, we haven't stopped there, just trying to comply  
6 with the law. We have stepped up, not just waiting for  
7 new technology, but we've developed new and innovative  
8 technology voluntarily. And we have redirected the amount  
9 of virgin plastic. We've reduced it by a million pounds a  
10 year. And, in addition, we have also, using fewer bags,  
11 because what's happened -- this is not a commercial -- but  
12 the forceflex bags do hold more. And that follows in line  
13 with what the Board is recommending as far as waste  
14 reduction.

15 And Clorox has a long history of such product  
16 stewardship, and we will continue with such innovation.  
17 But, as I said, there are limits to our resources and what  
18 we can do with that. And we firmly believe that our  
19 record speaks to repealing the Trash Bag Law.

20 And we look forward to addressing the film  
21 plastic problem on a larger basis. But I want to make two  
22 comments regarding what the staff is proposing.

23 The first is, you might want to relook at the  
24 timeframe. And I know that people are anxious about this  
25 and want to get going, but this is an enormous undertaking

1 and it cuts across multiple industries. It's the  
2 agriculture industry, it's industrial, it's medical  
3 offices where everything is now wrapped in plastic. It's  
4 homes, it's offices. So you have a really big undertaking  
5 here. And you may want to relook at your timeframe there.

6 And I also think there should be some provision  
7 in there to allow for goal correction, course correction  
8 adjustments. As new ideas, technologies develop, I don't  
9 think there should be the hammer of a mill tax or somebody  
10 should be penalized for having new ideas.

11 And then regarding the mill tax concept, I would  
12 like to respectfully suggest that perhaps it is not  
13 necessary to bring the parties to the table. My  
14 understanding, that the previous programs with carpet and  
15 paint did not involve such a hammer of the mill tax.  
16 People have come to the table. We are willing to commit.  
17 I know that Mr. Price and others are willing to commit.  
18 We are part of the process. We want to be part of the  
19 solution, and we're committed to working with you.

20 So thank you for your time and your attention.  
21 Thank you to the staff for the years and years of effort.  
22 And we look forward to working with you. Thank you.

23 CHAIRPERSON PAPARIAN: Thank you.

24 Okay. Laurie Hansen, Tim Shestek, and then  
25 George Larson.

1 MS. HANSEN: Good afternoon, Mr. Chairman. I'm  
2 Laurie Hansen. I'm representing the California Film  
3 Extruders and Converters Association and the National Film  
4 and Bag Federation.

5 And I'd also like to thank the staff. They have  
6 worked very hard to put together a voluntary program. And  
7 Member Mulé, you have done a yeoman's job in getting  
8 everyone together and we appreciate it.

9 The folks that I represent I think have been the  
10 ones out there pushing the hardest to have voluntary  
11 approaches. And so I feel a certain responsibility for  
12 the direction this has taken and I -- we very much  
13 appreciate it.

14 We also have a lot of questions that still are  
15 unanswered. And we're very nervous about having this go  
16 forward to the Legislature, where those of us that work  
17 that body quite a bit know that there's not a lot of  
18 questions that get answered. I hope no one's in here.  
19 And so we would like to have some more time to spend on  
20 this. But I see that I think this is going to go as it  
21 is.

22 Our questions include things that have already  
23 been brought up. For example, the companies I represent I  
24 know would be right in there working with the MOU and  
25 working very hard to divert their product from the



1 landfill. And they're willing to spend the money to do  
2 that. But their competitor next door, who may not be in  
3 California, may not be in the United States, who sits back  
4 and does nothing, absolutely nothing during the process of  
5 trying to divert these products, that other company that  
6 has done nothing will probably bring down the company that  
7 has done quite a bit, and that mill tax will be charged --  
8 mill fee will be charged on everyone. And we don't  
9 believe that that's fair.

10 And if there is some way that that could continue  
11 to be worked on and that question answered, we would  
12 appreciate it.

13 We're also concerned about the numbers of folks  
14 that would be involved in the MOU development process.  
15 It's hard for some of us to imagine sitting down with  
16 Scott and making sure we all agree -- although we're  
17 developing a very good working relationship -- what  
18 constitutes a successful MOU, what constitutes an  
19 unsuccessful MOU. And that -- I know in talking with the  
20 folks, you've said that that will be developed later. And  
21 it's just such an uncertainty, it's hard for us to imagine  
22 leaving those kinds of uncertainties till later.

23 Finally, on that particular point, the end-user  
24 such as the retailers and the grocers and the growers and  
25 the packaging companies, the UPS's, the Fed Ex's, we

1 haven't seen them here. And we believe that when they  
2 wake up to what's happening, they will be shocked and  
3 dismayed. And we'd like to see them pulled in as soon as  
4 possible, so that our customers who we supply to who we're  
5 trying to tell what is going on here in the State of  
6 California begin to believe us and that we're not crying  
7 wolf. We need your backing to tell them what is going on.

8           A couple questions of the staff too on what Pete  
9 was asking about on the trash bag. I now understand that  
10 it definitely will be repealed when the MOU is executed,  
11 because it still is contradictory in the staff response to  
12 comments from page 12 to page 13.

13           Page 13 says, "When the MOU diversion goals are  
14 met and when a mill fee is imposed..." And on page 12 it  
15 says, "will be repealed when the MOU's are executed."

16           PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

17           Okay. In response to Laurie's question, we  
18 envision repealing the Trash Bag Law when the MOU's are  
19 signed.

20           Now, when the mill fee is imposed is a different  
21 question, because that's really two parts to that. One  
22 would be if we're unsuccessful in negotiating the MOU's at  
23 the end of 2006, not only would -- we would still repeal  
24 the Trash Bag Law, but we would also begin implementing  
25 the mill fee.

1           Now, also the other decision point is at the end  
2 of the implementaion phase for the MOU, the Board will  
3 have a decision to make there on whether it felt the  
4 process was working and to whether to continue with that  
5 voluntary process or at that point whether it wants to  
6 resort to the contingency of a mill fee.

7           CHAIRPERSON PAPARIAN: Okay. So let me make sure  
8 I'm understanding.

9           The Trash Bag Law -- if the Legislature were to  
10 take what you're suggesting as is, as often is not the  
11 case with the Legislature, but if they take it as is, when  
12 the MOU is signed that's when you anticipate the Trash Bag  
13 Law being repealed. The MOU then would have some, you  
14 know, self-executing provision. You would know what's  
15 going to happen with the MOU, what's supposed to happen  
16 and so forth. If that MOU is unsuccessful in its  
17 implementation, then the mill tax would be added. If it's  
18 successful, the mill tax would not be added.

19           If an MOU is not executed, if there is no MOU,  
20 you're anticipation is that the mill tax would go into  
21 effect. And when that mill tax goes into effect, it would  
22 replace the Trash Bag Law and the Trash Bag Law would be  
23 eliminated at that point.

24           PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:  
25 That's correct.

1 CHAIRPERSON PAPARIAN: Okay.

2 RECYCLING TECHNOLOGIES BRANCH MANAGER ORR: I  
3 think I'm working now.

4 Okay. Yes.

5 Just to clarify also, that in the  
6 response-to-the-comments document on page 13 there is a  
7 contradictory response that we can -- that we can rectify  
8 that basically says that it would be repealed upon when  
9 the goals of the MOU are met.

10 So we need to fix that one provision.

11 CHAIRPERSON PAPARIAN: Okay. Ms. Hansen, does  
12 that answer then --

13 MS. HANSEN: Yes, it does. Thank you.

14 CHAIRPERSON PAPARIAN: -- the series of events?  
15 Okay.

16 MS. HANSEN: Although it does open up more  
17 questions. And, that is, if the Trash Bag Law is repealed  
18 on completion and execution of the MOU's and the MOU's are  
19 signed, does that mean that all the MOU's or which MOU's?  
20 Just one more last question.

21 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

22 Let me clarify your question first. So the  
23 question is -- we negotiate the MOU's. We sign two to  
24 three MOU's. And your question is: If, say, it's just  
25 one MOU, would this Trash Bag Law still go away?

1 MS. HANSEN: Yes.

2 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

3 I don't know that I can give you a definitive

4 answer, because I think I would need to defer that

5 decision to the Board. I can only give you what my

6 opinion would be, but perhaps I --

7 CHAIRPERSON PAPARIAN: Why don't you go ahead and

8 give us your opinion if you'd like to.

9 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

10 Okay. Well, in my opinion, if we're successful

11 in getting at least one MOU, as staff I would recommend

12 that, yes, we repeal the Trash Bag Law.

13 CHAIRPERSON PAPARIAN: Okay. So why don't we --

14 we'll hold that until we're done, and we'll kick that

15 around a little bit.

16 MS. HANSEN: Thank you.

17 I think that completes my comments. Thank you

18 all very much for your attention to this. I appreciate

19 it.

20 CHAIRPERSON PAPARIAN: Thank you.

21 Okay. Tim Shestek, then George Larson, then Evan

22 Edgar.

23 MR. SHESTEK: Good afternoon, Mr. Chairman and

24 members. Tim Shestek with the American Chemistry Council,

25 which organization also includes the resin producing

1 companies of the American Plastics Council.

2 Just a couple of points to reiterate what Laurie  
3 mentioned in terms of stakeholder input. There has been a  
4 lot of stakeholder participation. I think a lot of the  
5 folks that have been participating are the same folks over  
6 the last couple of meetings. The MOU concept really kind  
7 of came out back in December, I think it was,  
8 mid-December. And we haven't had the participation of I  
9 think affected stakeholders that should be at the table.  
10 And hopefully we can bring those in. We're talking about  
11 retailers, grocers, shopping center interests, recyclers,  
12 and folks from the ag community as well.

13 Just in terms of the timeframe that's being  
14 proposed, we submitted some comments earlier that we think  
15 the timeframe maybe a little bit too optimistic. Just  
16 wanted to clarify one thing that Mike talked about, was  
17 the MOU with the paint industry. It was my understanding  
18 that that MOU has not yet been finalized after several  
19 years of negotiations. It's kind of ongoing. So I -- I'm  
20 not speaking for them. I just don't know exactly what the  
21 lay of the land is on that. So something to consider.

22 And then, finally, in terms of the mill fee, I  
23 would agree that it's not necessary for a hammer to be  
24 proposed in terms of bringing individuals and companies to  
25 the table. There are a lot of activities going on

1 already. Staff has identified a number of working groups.  
2 I'm included on that. I know some other plastics industry  
3 representatives are also involved in various working  
4 groups to identify some solutions and to get moving on  
5 that.

6 I think we've demonstrated the fact that we're  
7 committed to participating in that and would do so  
8 regardless of what kind of hammer may be proposed at the  
9 end of the day.

10 So with that, I appreciate the opportunity.  
11 Thank you.

12 CHAIRPERSON PAPARIAN: Thank you.

13 Mr. Larson.

14 MR. LARSON: Good afternoon, Chairman Paparian  
15 and members of the Committee. George Larson. I'm here  
16 speaking today on behalf of plastic energy, a conversion  
17 technology to convert waste plastics into ultra-low sulfur  
18 diesel fuel.

19 I'd like to first of all thank staff, as others  
20 have, not only for this effort but for the long hours of  
21 labor they've put into the myriad of plastics issues that  
22 they wrestle with. And I'd like to say that, as they all  
23 are complex, I think this effort ought to be presented to  
24 the Legislature and discussed in the context of the  
25 broader scale of scope of issues, which is why I want to

1 make some comments on behalf of plastic energy.

2           Originally I think the study was going to focus  
3 on the Plastic Bag Law, but then, once expanded, to  
4 address the broader issue of film plastics. And in the  
5 staff's presentation, there was a reference to previous  
6 actions taken by this Board including the plastics white  
7 paper study, which was very comprehensive, many meetings,  
8 lots of input; but had a very important, at least to me,  
9 component in it that had to do with technology  
10 development. And that the Board recommended -- staff  
11 recommended, and the Board approved, in that study at  
12 least evaluation. And I think the Board has taken a  
13 formal support position on the development of conversion  
14 technologies.

15           Well, if that's a building block of this report,  
16 I just don't see those words even referenced in this  
17 study. And since it is a broader issue, and we've talked  
18 about the issues raised by ag film, and Mr. Smithline  
19 brought up the overall goal of diverting more plastics  
20 away from landfills, that it ought to be incorporated in  
21 this study.

22           I would recommend, and I'm suggesting that if  
23 it's not in this study, that in future studies, that they  
24 be, as this title of this report is, "A Comprehensive  
25 Approach," that we should have if we cannot still yet



1 include conversion technology at least as something that  
2 should be investigated and the Board should continue to  
3 support to provide new options for the management of  
4 plastics that don't otherwise have a recycling market.

5 And this is not the first time I've brought it  
6 up. It is an eleventh-hour comment. I've raised this  
7 issue continuously throughout this process.

8 And I appreciate -- I know this is a little bit  
9 off target from plastic bags, but I think this is a broad  
10 issue that is interrelated on many levels, and I  
11 appreciate the opportunity to make my comments.

12 CHAIRPERSON PAPARIAN: Thank you.

13 DEPUTY DIRECTOR WOHL: Can I comment on that, Mr.  
14 Paparian?

15 CHAIRPERSON PAPARIAN: Go ahead.

16 DEPUTY DIRECTOR WOHL: Patty Wohl.

17 I guess the Board has a couple options in regards  
18 to CT. You know, we're bringing in March the CT report,  
19 which also would be a report to the Legislature. So you  
20 have an option to mention something here that says that  
21 report's coming and our recommendations will be in there,  
22 be silent in this report or make a statement in this  
23 report. But I would probably defer to either just  
24 commenting that that report's coming, because I don't  
25 think the full Board's had that discussion yet. So, you

1 know.

2 CHAIRPERSON PAPARIAN: Yeah. And it does -- it  
3 would open up -- my concern is it would open up in this  
4 report some issues that we haven't resolved in the  
5 conversion technology report. The conversion technologies  
6 involve a range of technologies. Mr. Larson's technology  
7 is more like recycling than some of the other conversion  
8 technologies. He's taking what was a petroleum product  
9 and trying to convert it back into a petroleum product,  
10 which is different than some of the other conversion  
11 technologies.

12 My concern is that, you know, once we go down  
13 that path in this report, we would have to look at the  
14 various definitions, the various technologies, as the CT  
15 report is doing, and talk about that, which --

16 MR. LARSON: If I may make one parting comment.

17 CHAIRPERSON PAPARIAN: Yeah.

18 MR. LARSON: Then perhaps it's an appropriate  
19 time to say, in discussion of the conversion technologies,  
20 we should be dropped out and called a manufacturing  
21 process and not a conversion technology at all.

22 (Laughter.)

23 CHAIRPERSON PAPARIAN: Okay. Mr. Edgar.

24 Not the first time you've had the last word.

25 MR. EDGAR: Chairman and Board members. My name

1 is Evan Edgar. I'm the engineer for Zanke Road and  
2 Resource Management and Z-Best Compost Facility.

3 We are the biggest food waste and MSW compost  
4 facility on the West Coast. We've been collecting food  
5 waste and MSW since year 2000 and making compost out of  
6 it.

7 Part of the problems we see is that 20 percent of  
8 our residuals are plastics. So we collect the stuff and  
9 we take it. And in next agenda item, the biggest target  
10 out there is food waste. Fifteen percent of what's going  
11 in the landfill is food waste. And with that comes  
12 plastics.

13 So we'd like to advance the science. We've been  
14 working with Mike Leason and a working group set up by the  
15 Waste Board on promoting the science of compostable  
16 plastics. It's a good working group. And part of it is  
17 driving the compostable time down from a six-month cycle  
18 to a three-month cycle, because we'd like to get the  
19 benefit of the compostable plastics.

20 Z-Best Compost Facility has volunteered to be a  
21 case study and test case to try out any compostable  
22 plastics at their facility within an enclosed CTI bag  
23 process as part of their MSW compost facility. So we look  
24 forward to the science. And we would support on page 20  
25 of the report about the biodegradable film plastic

1 products, should the compostable plastic meet a holding  
2 time of 90 days or less of compostability, that should be  
3 exempt from any mill fee and any diversion mandate.

4 And we'll be giving tours of the Z-Best Compost  
5 Facility. It's quite remarkable, composting MSW. But the  
6 20-percent residual rate for film plastic is rather high.  
7 And we tried marketing and tried to clean it, we tried to  
8 bale it, and we just can't do anything with it but send it  
9 to the landfill.

10 Thank you.

11 CHAIRPERSON PAPARIAN: Okay. Just on that point,  
12 Mr. Leanon, I'm trying to correlate what you handed out to  
13 what was just suggested. Can you help us --

14 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEANON:

15 Sure. Yeah, the report still includes language  
16 providing an exemption for biodegradable products.  
17 However, that exemption was really intended to go along  
18 with the certification program, that biodegradable  
19 products would not have to make a certification to the  
20 Board.

21 Now, that we're moving towards this voluntary  
22 process, there's not really a reason to keep that in the  
23 report.

24 The exemption from the mill fee, I think the  
25 Board probably has the authority or will have the

1 authority to identify what types of plastic products it  
2 wants to levy that mill fee on.

3 So, again, given that, I don't think there needs  
4 to be a specific exemption.

5 CHAIRPERSON PAPARIAN: Okay. Thank you.

6 Okay. That's all the speakers I had.

7 Now, I don't want to put you on the spot, Ms.  
8 Mulé. But I know you've taken a leadership role on  
9 plastics issues over the last few months and attended a  
10 lot of the stakeholder meetings and so forth.

11 COMMITTEE MEMBER MULÉ: Quite a few.

12 Let me just say a few things. First of all, I  
13 want to thank everyone who has been involved in this  
14 process, beginning with our staff. I've started working  
15 with you what, in September or so of last year on this.  
16 And I will -- I just want to say publicly our staff has  
17 done an outstanding job of listening and addressing the  
18 concerns to the best that they could with the  
19 stakeholders.

20 I also want to thank all the stakeholders for  
21 their participation in the various meetings that we've  
22 had. We've held a number of meetings on a number of  
23 different issues. We've held meetings on the report.  
24 We've held meetings on collection issues. And, again, I  
25 really, really appreciate on behalf of all of us your

1 participation and your involvement in all of this.

2           And I want to say that I think our latest version  
3 of this report reflects that participation and that  
4 collaborative process. I know at the first meeting we had  
5 there was a lot of opposition to a lot of the things -- a  
6 lot of the recommendations that were listed in the report.  
7 Again, I think staff listened, staff heard, they came back  
8 with revised versions of the report to address those  
9 concerns. And, frankly, I knew that it wasn't going to be  
10 perfect. But, again, the latest December 17th version I  
11 think we've -- again, if you look back at previous  
12 versions of this report, it's quite different from what we  
13 originally had put together as far as a draft report.

14           A couple things. Staff had put together most  
15 recently -- and I had a conference call with them on  
16 Tuesday -- responses to the letters that you all sent to  
17 Michael over the last few weeks on the latest draft of the  
18 report. And, again, I think they did an outstanding job  
19 of categorizing the concerns and addressing them.

20           A couple things that we came up with -- and I  
21 just want to propose these and throw these out and see how  
22 the stakeholders feel and get your input on this as well.  
23 A couple things is, we know that one MOU one size does not  
24 fit all. We know that. We recognize that, and so we  
25 address that by saying let's have a series of MOU's based

1 on categories. What those categories are, I don't know.  
2 We're going to need your help in helping us identify what  
3 those categories are. So we're looking at several MOU's.

4 The other thing that we talked about was phasing  
5 them in. Rather than trying to put all these MOU's  
6 together at once, let's take, you know, whatever one  
7 category is and let's work on that MOU. And then let's do  
8 it, let's work out all the kinks, declare success and move  
9 on to the next MOU. So we would have this phased-in  
10 approach.

11 The other thing that we had talked about was  
12 maybe looking at the timeline for the development of the  
13 MOU's. But, again, if we're putting them in categories,  
14 it might -- this timeline of having at least one MOU  
15 completed by the end of '06, or two, may be more  
16 realistic.

17 So that's kind of where we're thinking about  
18 going with this. And, again, we would like to have your  
19 input, Committee members, as well as the stakeholder input  
20 on those particular aspects of the report.

21 And keep in mind, as Michael mentioned, this is a  
22 report to the Legislature with recommendations. As Mike  
23 said earlier, I doubt that the Legislature is going to --  
24 I don't know -- if they're going to take our  
25 recommendations, every word and, you know, every letter of

1 our recommendations and take them seriously. They may  
2 take some. They may take none. We don't know that.

3 But we feel that we need to -- as Scott put it  
4 earlier, we need to move forward with this. And I think  
5 all of us are anxious to at least show some sort of motion  
6 that we're moving forward with this. And we know there's  
7 going to be a lot of discussion and we know there's going  
8 to be, you know, a lot of give and take in developing  
9 these MOU's. But, again, I feel that we need to get -- at  
10 least get started and come to some consensus on this  
11 report, move it forward to the full Board, and then move  
12 it forward to the Legislature.

13 So --

14 CHAIRPERSON PAPARIAN: Okay. So if it's okay,  
15 Board Member Marin -- also I'd just as soon take your  
16 recommendations in order and see where we're at.

17 Several MOU's versus one MOU. Any staff comment  
18 on that?

19 PLASTIC RECYCLING TECHNOLOGIES SUPERVISOR LEAON:

20 Well, I think we want to engage the stakeholders.  
21 And we're not going in with, you know, a set number of  
22 what we want to see. We want to identify plastic film  
23 products where we think we can make progress over the next  
24 couple years; and as Board Member Mulé was referring to,  
25 use a phased approach. We can implement additional MOU's



1 at the end of the first implementation phase. But I think  
2 it's important that we get some early success. And if  
3 that means we have one, two or maybe three MOU's  
4 initially, I would view that as a success and would want  
5 to proceed with that.

6 CHAIRPERSON PAPARIAN: Okay. Now, how would  
7 we -- would we need to make any changes in the language of  
8 the report to accomplish what you're suggesting?

9 DEPUTY DIRECTOR WOHL: I don't if we've specified  
10 in the report how many MOU's. So in that sense, I mean  
11 maybe it does relieve the industry's fear of what we're  
12 trying to accomplish. So we could either be more specific  
13 if we want. If we want to say, you know, one or whatever  
14 number you want to say by such and such timeframe, we --

15 CHAIRPERSON PAPARIAN: I don't think you'd want  
16 to set an upper limit on the numbers. But I think what's  
17 being suggested is the option of more than one.

18 DEPUTY DIRECTOR WOHL: Okay. We can maybe put in  
19 the phrase, "the phased approach" to the MOU's.

20 COMMITTEE MEMBER MULÉ: An approach. And, again,  
21 because it's based on categories, if you will. And I  
22 think as we discussed on Tuesday, we would ask for the  
23 input of the industry folks in helping us determine what  
24 those categories would be.

25 DEPUTY DIRECTOR WOHL: Yes.

1           CHAIRPERSON PAPARIAN: Okay. So that was just  
2 the second issue you brought up, the phased-in approach  
3 that's then dealt with.

4           All right. And then the third one was the  
5 timeline.

6           DEPUTY DIRECTOR WOHL: So I mean I guess -- there  
7 was a little discussion which was, you know, we've gone  
8 from 18 months to maybe 20 if the Board makes a decision  
9 at this Committee meeting, getting a couple more months.  
10 If we're down to one or, you know, some smaller number, is  
11 that more manageable and can we accomplish it?

12           So I think we're open either way. The problem  
13 with extending the collaboration process of creating the  
14 MOU cuts into the evaluation of the MOU, because we want  
15 to correlate it to the next waste characterization study.

16           So we sort of have that four-year period. So if,  
17 you know, if they want two years and two years versus --  
18 you know, we just sort of thought that that was kind of a  
19 realistic approach and give us more time to implement the  
20 actual MOU.

21           COMMITTEE MEMBER MULÉ: Because the next  
22 characterization study will be conducted --

23           DEPUTY DIRECTOR WOHL: I think he has that  
24 timeline.

25           Do you have that --

1 RECYCLING TECHNOLOGIES BRANCH MANAGER ORR: It  
2 was from July of 2007 through July of 2008.

3 COMMITTEE MEMBER MULÉ: Okay.

4 DEPUTY DIRECTOR WOHL: Two thousand seven to  
5 2008.

6 Okay. So that's really the only thing that's  
7 kind of out there.

8 RECYCLING TECHNOLOGIES BRANCH MANAGER ORR: Eight  
9 to nine.

10 CHAIRPERSON PAPARIAN: Okay. Then a couple of  
11 the other issues that came up --

12 COMMITTEE MEMBER MARIN: The mill fee?

13 CHAIRPERSON PAPARIAN: -- when -- what's that?

14 COMMITTEE MEMBER MARIN: The mill fee? No,  
15 you're not --

16 CHAIRPERSON PAPARIAN: Yeah, when does the Trash  
17 Bag Law -- well, let me start with this one.

18 When does the Trash Bag Law go away and how  
19 many --

20 DEPUTY DIRECTOR WOHL: Maybe try and walk through  
21 this.

22 We're currently getting ready to do 2004. The  
23 Board's hands are really tied, because it's, you know, in  
24 statute now that you must do this until a new bill is  
25 passed. So 2004 we would be moving forward with. We

1 would propose that the language gave the Board the  
2 authority to not go forward with a 2005 as part of this  
3 whole bill that we're putting together. If that piece was  
4 passed, the Board could decide to do or not do the 2005.  
5 As soon as the MOU's were signed and executed, which is  
6 another reason for not maybe delaying it, because if you  
7 put it out four more months, that may cross over, it's  
8 another year you may or may not have to do one, depending  
9 on -- and then if it is signed, it would repeal. We're  
10 requesting that the legislation say the law's  
11 automatically repealed then.

12 CHAIRPERSON PAPARIAN: Okay.

13 DEPUTY DIRECTOR WOHL: So that's where we're at  
14 now, whether there's a change to that now.

15 CHAIRPERSON PAPARIAN: Okay.

16 DEPUTY DIRECTOR WOHL: I think everyone's okay  
17 with that.

18 COMMITTEE MEMBER MARIN: Do we have the legal  
19 authority to literally repeal the law?

20 DEPUTY DIRECTOR WOHL: No. That would be part of  
21 the bill that we're proposing. In this report we're  
22 asking that piece too.

23 COMMITTEE MEMBER MARIN: So if we don't move  
24 forward with what we have right now, we also run the risk  
25 of having these people having to continue to do what we --

1 what they don't want to continue to do.

2 DEPUTY DIRECTOR WOHL: That's correct.

3 COMMITTEE MEMBER MARIN: So it's six of one and  
4 half dozen of the other.

5 DEPUTY DIRECTOR WOHL: Yeah, the Plastic Trash  
6 Bag Law is in effect until something changes.

7 COMMITTEE MEMBER MARIN: No, that's not the way  
8 it is? I'm seeing Laurie say no.

9 CHAIRPERSON PAPARIAN: Hopefully what the program  
10 envisioned under the report before us gives us something  
11 much better than the Trash Bag Law.

12 COMMITTEE MEMBER MARIN: I understand that the --

13 DEPUTY DIRECTOR WOHL: I think everyone's  
14 agreeing to that.

15 COMMITTEE MEMBER MARIN: I want to get to the  
16 mill fee, because that's going to be I -- as I understand,  
17 that's a big issue for everybody, and I really need to get  
18 to the bottom of it, what's --

19 CHAIRPERSON PAPARIAN: Okay. Let me -- why  
20 don't -- well, go ahead.

21 COMMITTEE MEMBER MARIN: No. I just need to know  
22 what is it that we're going to do. I mean I understand  
23 what industry is saying. And I am extremely sympathetic  
24 to the fact that we have companies, some of them major  
25 corporations, that are doing everything that they can

1 possibly do. And we cannot then penalize them because  
2 somebody else who has chosen to completely and totally  
3 disregard or has no ability or concern for what our laws  
4 are, that then in fact we penalize them. I'm very  
5 sympathetic to that. And I just don't know how to address  
6 that.

7 And I'm actually asking the industry to come up  
8 with something more than that. I sympathize with that.

9 CHAIRPERSON PAPARIAN: Okay. So the issue is --

10 COMMITTEE MEMBER MARIN: Because I understand the  
11 reason why we have the mill fee proposal, if you will, is  
12 because we want people to abide by what we're proposing.

13 CHAIRPERSON PAPARIAN: Right. We never want to  
14 have to implement the mill fee. But having it there  
15 hopefully will be an incentive for successful  
16 implementation of the voluntary program.

17 COMMITTEE MEMBER MARIN: I definitely agree with.  
18 My question is: How do we -- because we will have -- the  
19 good citizens companies are going to abide by the law.  
20 But what happens when some people do not do it and then  
21 automatically it triggers everybody being penalized for it  
22 by applying the mill fee?

23 DEPUTY DIRECTOR WOHL: Let me respond to that.  
24 And let's just give a hypothetical. We get, you know, 75  
25 percent of the companies to the table and we get, you

1 know, the majority of the big players to the table. We're  
2 looking for a critical mass and a way to make change. You  
3 know, if we are at a 5-percent recycling rate now, and  
4 that 75 percent of those companies that are at the table  
5 talking to us set a goal for themselves that they think  
6 the people that came to the table can meet, then in  
7 reality the few stragglers who don't comma long, it's sort  
8 of really not critical. We're not asking to get to 100  
9 percent. That means everybody has to be doing what they  
10 need to do. We're asking the people that are at the table  
11 who are willing to get there, "What is attainable?"

12           So I think it comes into what goal do they want  
13 to set, what do they think is attainable for the group at  
14 the table willing to participate?

15           COMMITTEE MEMBER MARIN: Yeah, but that is really  
16 unfair to the people that would choose not to, even if  
17 it's a 10 percent. I want to be able to say to the ones  
18 that are deciding not to participate or don't want to or  
19 has complete disregard for whatever this Board or any  
20 state law says -- I want to be able to have that stick to  
21 them. I don't want to have this stick to the people that  
22 are willing and able and have been doing the job and do a  
23 good job and have great and noble goals.

24           DEPUTY DIRECTOR WOHL: And then you know what  
25 you're talking about? A certification process.

1 Individual certification where every company is held  
2 accountable for what they do.

3 COMMITTEE MEMBER MARIN: I absolutely agree.

4 DEPUTY DIRECTOR WOHL: And that's what we've  
5 asked to get away from.

6 COMMITTEE MEMBER MARIN: I know. That's the crux  
7 of the problem.

8 DEPUTY DIRECTOR WOHL: You know, this is the best  
9 solution not doing that, not holding individual companies  
10 accountable for their performance. It is now a group  
11 effort to get us all to a better place.

12 COMMITTEE MEMBER MARIN: That's why, Patty, I  
13 wasn't really directing my comments to you. I was asking  
14 the industry to come up with something else, because I  
15 appreciate that. And there will be those companies. So  
16 maybe industry can help us with that. I am struggling,  
17 because I really want to be able to recognize those  
18 companies that are doing their civic duty and they believe  
19 in this and they're joining our efforts. But then how do  
20 we go back so that not an individual company brings  
21 everybody else down? We are able to stick it to the  
22 people that do not want to comply, while alleviating that  
23 kind of punishment to the ones that do comply. How do we  
24 address that?

25 Anybody from industry want to take a shot, or is



1 this --

2 CHAIRPERSON PAPARIAN: I mean I think, you know,  
3 if you're inviting somebody up, I think Mr. Price was  
4 probably the most articulate spokesman on that issue or --

5 (Laughter.)

6 CHAIRPERSON PAPARIAN: And then I don't know if  
7 Mr. Smithline might want to respond as well, depending  
8 what gets said.

9 MR. PRICE: Thanks for the setup there.

10 (Laughter.)

11 MR. PRICE: Well, what I heard Patty say was  
12 that -- let's say we had an MOU with six companies  
13 involved -- is that you wouldn't have six specified  
14 targets for six companies. You'd have one target. And it  
15 would be up to the six companies overall to meet that  
16 target.

17 I understand that. And I'm trying to figure how  
18 to make this work as well. But, Patty, I guess my  
19 question is still -- so we get six companies to sign the  
20 MOU. It turns out one of them isn't quite as civic minded  
21 as we thought. What if two of them aren't, they don't do  
22 their part, the other four can't make it up, they've done  
23 their part or what seems equitable. You've still got a  
24 situation where all the companies are exposed.

25 The only thing -- other thing I can come up with

1 is something that does differentiate within the MOU what  
2 each company has to do. But I know that gets pretty  
3 difficult. But I would say this -- it gets pretty  
4 difficult. But before we reject it, let's at least think  
5 it through and see if that's doable. I'm not sure it's  
6 doable either. But it seems to me we ought to at least  
7 give that a shot.

8 That's as articulate as I can be.

9 DEPUTY DIRECTOR WOHL: Well, I think again I  
10 would defer to that group to decide that. You know, we  
11 have an MOU. We can come up with what feels like it could  
12 be successful. Do you want any contingencies for certain  
13 companies to commit? Whatever that is would be worked out  
14 during the MOU process.

15 CHAIRPERSON PAPARIAN: All right. So where are  
16 we? Are you --

17 COMMITTEE MEMBER MARIN: Well, if that's going to  
18 be part of the MOU process, I just want to make sure that  
19 industry understands that we're sympathetic to their  
20 concerns. And at the same time we need to push forth with  
21 what we need to do with the Legislature.

22 CHAIRPERSON PAPARIAN: Okay.

23 DEPUTY DIRECTOR WOHL: So maybe I can just  
24 summarize then.

25 You're accepting the comments thus far, the ones

1 that Mike proposed. The only thing is we would add  
2 something about a phased approach. Maybe for the Board  
3 meeting we would just add that piece to that list.

4 We're okay with the timeline as is for now?

5 COMMITTEE MEMBER MULÉ: Well, I --

6 DEPUTY DIRECTOR WOHL: You know, I mean that --  
7 yeah, go ahead.

8 COMMITTEE MEMBER MULÉ: Maybe for now -- well,  
9 it's three things: It's categories, phased-in approach,  
10 and the timeline. And I think right now, unless there is  
11 some serious objection, we can keep the current timeline.  
12 Unless there's some serious objection out there, folks.  
13 Now is the time to speak.

14 But, again, if you've got this category approach  
15 and a phased-in approach, that timeline's going to change  
16 anyway because there's going to be a phase in.

17 But, Laurie, you want to --

18 CHAIRPERSON PAPARIAN: So let me make sure I'm  
19 understanding then the timeline. If we're doing the  
20 phased in, and let's -- I'll just pick a number. Let's  
21 say we have five categories.

22 Would all -- all of those wouldn't be done within  
23 the timeline that we saw on the screen. Only the first  
24 one, at least, like maybe --

25 DEPUTY DIRECTOR WOHL: Well, right. If we're

1 saying in a phased-in approach, we're going to look to the  
2 Board to say, "Do you want one in that first phase? Do  
3 you want two in that first phase? What do you want in  
4 that first phase?"

5 CHAIRPERSON PAPARIAN: So there could be some  
6 that would go beyond that?

7 DEPUTY DIRECTOR WOHL: Yes.

8 CHAIRPERSON PAPARIAN: Okay.

9 COMMITTEE MEMBER MULÉ: So the timeline then in  
10 effect would be amended based on the phased-in --

11 DEPUTY DIRECTOR WOHL: Yeah, the timeline's  
12 really for the first one to get started and have a  
13 success -- for at least one to get started and have a  
14 success.

15 CHAIRPERSON PAPARIAN: Okay. Go ahead.

16 MS. NELSON: With that phased-in approach, just a  
17 clarification. And, that is, then when does the Trash Bag  
18 Law get suspended? We, with due respect, don't want to be  
19 held hostage to other plastic things. So we're just  
20 curious on when that is suspended, given the amount of  
21 resources we have to direct to complying.

22 DEPUTY DIRECTOR WOHL: Again, the Board would, as  
23 soon as they have authority, repeal it -- I mean would  
24 suspend it. I think they're ready to suspend. So that  
25 would probably occur immediately. And then on the first

1 signing of the MOU it would be repealed.

2 MS. NELSON: Okay. Thank you very much.

3 CHAIRPERSON PAPARIAN: Okay. Patty, did you  
4 finish your summary?

5 DEPUTY DIRECTOR WOHL: The only other one that I  
6 didn't get a clear direction on is the CT issue. Do you  
7 want to just be silent or --

8 COMMITTEE MEMBER MULÉ: I don't know. I think  
9 maybe we should just refer that we do have the report and  
10 it's further discussed in the CT report.

11 DEPUTY DIRECTOR WOHL: Okay. So that would be  
12 the other change we would make.

13 CHAIRPERSON PAPARIAN: Okay. And then apart from  
14 the report, one other issue that I heard brought up was  
15 the stakeholders -- that there may be more stakeholders  
16 once we go into this MOU process than have typically been  
17 at the interested parties meetings, some of the retailers  
18 and others.

19 And I heartily agree, that for success you really  
20 do need to bring in some of the other stakeholders. That  
21 doesn't need to be in the report, I don't think. But I  
22 think as long as we all understand that we will do  
23 everything we can, both us and stakeholders, to bring in  
24 other stakeholders who should be there.

25 COMMITTEE MEMBER MULÉ: We have discussed that I

1 believe at our last meeting. And so we have asked for the  
2 assistance of the stakeholders. And, you know, we're all  
3 going to work together again and identifying those parties  
4 and bringing them to the table as well.

5 CHAIRPERSON PAPARIAN: Okay. So with that --

6 COMMITTEE MEMBER MARIN: I just want to thank  
7 Rosalie Mulé for that enormous amount of work that went  
8 through. I know everybody has thanked staff and Rosalie.  
9 But she took -- I remember when one little letter went out  
10 and about 200 letters came back, and she took it on. And  
11 I really, really appreciate it. And thank you very much  
12 for your leadership on this. You've done a great work.

13 Thank you everybody and certainly to all the  
14 stakeholders.

15 CHAIRPERSON PAPARIAN: I agree. I know that when  
16 plastics has been mentioned, some of us have been tempted  
17 to run the other way.

18 (Laughter.)

19 COMMITTEE MEMBER MULÉ: I was the only one silly  
20 enough to step up to the plate, Huh?

21 CHAIRPERSON PAPARIAN: Go ahead.

22 COMMITTEE MEMBER MULÉ: Anyway, with that I'd  
23 like to move Resolution 2005-51 with the amendments that  
24 we had already mentioned.

25 COMMITTEE MEMBER MARIN: I'll second that.

1           CHAIRPERSON PAPARIAN: Okay. It's moved and  
2 seconded.  
3           Call the roll.  
4           SECRETARY KUMPULAINIEN: Marin?  
5           COMMITTEE MEMBER MARIN: Aye.  
6           SECRETARY KUMPULAINIEN: Mulé?  
7           COMMITTEE MEMBER MULÉ: Aye.  
8           SECRETARY KUMPULAINIEN: Paparian?  
9           CHAIRPERSON PAPARIAN: Aye.  
10          Now, it's 3-0. Should we put this on consent or  
11 should we --  
12          DEPUTY DIRECTOR WOHL: Do I get a vote?  
13          (Laughter.)  
14          CHAIRPERSON PAPARIAN: I mean I'm looking to the  
15 Chair.  
16          COMMITTEE MEMBER MARIN: Yeah, let's put it on  
17 consent.  
18          CHAIRPERSON PAPARIAN: Okay.  
19          DEPUTY DIRECTOR WOHL: Thank you.  
20          I'd like to thank all the stakeholders too. They  
21 really have kept us honest and kept us, you know, focused  
22 on the issues and bringing good comments to the table. So  
23 thank you. And thank you, Rosalie.  
24          CHAIRPERSON PAPARIAN: All right. We'll take a  
25 ten-minute break and then switch to the DPLA agenda.

1 (Thereupon a recess was taken.)

2 CHAIRPERSON PAPARIAN: All right. We'll start up  
3 again.

4 Mr. Schiavo.

5 DEPUTY DIRECTOR SCHIAVO: Okay.

6 CHAIRPERSON PAPARIAN: Well, first of all -- I'm  
7 sorry -- any ex partes?

8 COMMITTEE MEMBER MARIN: No.

9 COMMITTEE MEMBER MULÉ: I'm up to date.

10 CHAIRPERSON PAPARIAN: Okay, good.

11 Go ahead.

12 DEPUTY DIRECTOR SCHIAVO: Good afternoon. Pat  
13 Schiavo, Diversion, Planning and Local Assistance  
14 division.

15 As you can see, we all coordinated in our  
16 blue-on-blue uniforms for this meeting.

17 So start out with, the Adjustment Method Review  
18 Working Group met Monday, February 7th, to discuss  
19 potential improvements to the adjustment method  
20 calculation. There's a lot of good discussion. It was  
21 left with another meeting that will convene in April or  
22 May to start getting into the real specific  
23 recommendations that will be brought back before the  
24 Board. And I can't really give you a specific timeframe  
25 for that. But getting there. It's working its way



1 through the system.

2 I'd like to bring you up to speed regarding our  
3 efforts to implement the Large Public Venue and Event Act.  
4 We're continuing to provide technical assistance to local  
5 jurisdictions, public venue coordinators, and event  
6 coordinators. We held our first public workshop to  
7 provide technical assistance in December. We plan on  
8 three more this spring and then also summer. And you'll  
9 be reading some more about that in our Info Cycling  
10 Newsletter that will be going out to the local  
11 jurisdictions and interested parties.

12 We're also working with the local conservation  
13 corps, who are assisting local event coordinators and  
14 public venues. We want to put together case studies of  
15 their activities, put those on our website. We anticipate  
16 that taking place some time this spring. It will be on  
17 our website and people will have that to view.

18 Also, later this spring we will convey our  
19 efforts to put together a model -- public -- a model  
20 ordinance for local jurisdictions. We will be  
21 coordinating with the League of Cities, local venue  
22 coordinators and event coordinators, recyclers and other  
23 interested parties.

24 We will be having workshops. We'll put together  
25 a draft model ordinance, if you will. We'll put that on

1 our website. We anticipate the spring solicit comments.  
2 We'll then compile the comments and then come forward to  
3 the Board this summer with our draft final version for  
4 your approval.

5 I'd like to mention with the merging of the SABRC  
6 and state agency waste diversion programs, we're seeing  
7 some immediate success. And that success is that we only  
8 have -- we have one coordinator for both programs. We're  
9 working with the different state agencies. It seems like  
10 we've alleviated confusion that they had working with dual  
11 coordinators here from the Board. And it's had an impact  
12 where -- because there's only one contact here, they're  
13 now working to get more closely together because there's  
14 only the one contact. They recognize that. So now the  
15 procurement people and the recycling coordinators seem to  
16 be communicating a little better several of the agencies  
17 toe that's a real positive.

18 And then, finally, through wind and rain and  
19 sleet and snow staff attended the Mariposa ground-breaking  
20 ceremony for their compost facility. It was a real mess  
21 weatherwise. The red carpet sank into the mud.

22 (Laughter.)

23 DEPUTY DIRECTOR SCHIAVO: But nevertheless the  
24 ceremony went forward.

25 The facility is about 48,000 square feet enclosed

1 facility. It's the first of its kind in California. It's  
2 \$83 million funded through grants through the federal  
3 government. We anticipate the construction will be  
4 completed the end of this calendar year. And then that  
5 hopefully they'll be fully operational in February. At  
6 least that's the hopeful dates.

7 So that concludes my presentation at this time.

8 CHAIRPERSON PAPARIAN: Any questions?

9 Go ahead.

10 COMMITTEE MEMBER MARIN: You know, I'm sorry I  
11 missed the large public events workshop. And I only wish  
12 I had been there.

13 I want to make sure that, as we continue with  
14 that, that we -- I know that you have targeted this group  
15 of people, the event coordinators and so forth. I am sure  
16 you're inviting people from the stadiums and the county  
17 fairs and -- I mean every local city has their fairs, you  
18 know. I'm sure you're targeting all of them, right?

19 DEPUTY DIRECTOR SCHIAVO: We're attempting to.  
20 We're focusing on local jurisdictions, trying to get them  
21 to solicit the people that are residing in their  
22 jurisdictions. We also have mailing lists to the state  
23 agencies which deal with the fairs and -- yeah.

24 COMMITTEE MEMBER MARIN: Amusement parks.

25 Yeah, I wonder if we could invite, I mean for

1 your next events, people from Disneyland, Magic Mountain,  
2 where there are thousands of people congregating, to maybe  
3 come in and make a presentation "What do they do for  
4 recycling?" Because I know that some of these  
5 corporations are pretty green corporations. And I'm  
6 wondering whether he can actually -- or maybe have them  
7 come in and make a presentation to the Board, what steps  
8 do they take?

9           Some airports -- you know, some airports do a  
10 really good job and some other ones don't do a good job  
11 or -- and what I'm thinking, you know, is all of these  
12 people that have thousands of people going at one time or  
13 another, how do they do -- what kind of recycling program  
14 they have. And maybe showcase some of those. I just wish  
15 I would have been at your workshop. I wasn't available  
16 here. But --

17           DEPUTY DIRECTOR SCHIAVO: December workshop we  
18 were able to have some people who -- yeah, we had a  
19 limited number of people who experienced -- shared their  
20 experiences with the others, such -- you know, the Indian  
21 Wells facility where they have the second largest tennis  
22 event in the country. Then we had -- jeez, I can't  
23 remember. I can't remember. It's December, and that was  
24 a long --

25           DPLA OFFICE OF LOCAL ASSISTANCE BRANCH MANAGER

1 MORGAN: SBC Park.

2 DEPUTY DIRECTOR SCHIAVO: SBC Park.

3 Yeah, I know, Yesterday I can't remember.

4 The folks there came and did a presentation,  
5 shared their experiences. It was broadcast on the web.

6 We -- you know, and we'll continue to do -- try to come up  
7 with some creative ways to get the word out to people.

8 COMMITTEE MEMBER MARIN: And then later on we can  
9 do something else to provide even more incentives for some  
10 of these large -- I'm sorry. Did you get all of that?

11 Then later on we can do something. I am  
12 prepared -- you know, in my mind I'm figuring how can we  
13 provide some kind of an incentive? Maybe develop some  
14 grants, if you will. People that doing something really  
15 good, how can they do it better? And also provide some  
16 incentives so that -- some of these local venues, because  
17 they've never done it -- many of them have never done  
18 anything like that. If we provide some kind of an  
19 incentive, that they would then go ahead and start doing  
20 it. And eventually -- you know, once they do it once or  
21 twice, that would be the way they do their business all  
22 the time.

23 CHAIRPERSON PAPARIAN: Okay. Thank you.

24 Go ahead.

25 DEPUTY DIRECTOR SCHIAVO: With that we'll

1 commence with our agenda.

2 Item No. 15 is being held over for the full  
3 Board. And so we'll commence with Item No. 16.

4 And this will be presented by Phil Morales. And  
5 it's consideration of the Amended Nondisposal Facility  
6 Element for the Unincorporated Area of Los Angeles County.

7 DPLA STATE AND LOCAL ASSISTANCE BRANCH MANAGER  
8 MORALEZ: Good afternoon, Committee members.

9 The unincorporated area of Los Angeles County has  
10 amended its NDFE by identifying and describing the Athens  
11 Service Transfer Station and Materials Recovery Facility,  
12 an existing facility. This is the second amendment to the  
13 county's original approved NDFE.

14 The facility is a large volume transfer and  
15 material recovery facility which accepts mixed waste from  
16 Los Angeles County. The majority of the property is  
17 located in the City of Industry, with portions of the  
18 facility located within the county unincorporated area.

19 This concludes my presentation.

20 CHAIRPERSON PAPARIAN: Any questions?

21 Board Member Mulé.

22 COMMITTEE MEMBER MULÉ: I'd Like to move approval  
23 of Resolution 2005-40.

24 COMMITTEE MEMBER MARIN: Second.

25 CHAIRPERSON PAPARIAN: It's been moved and

1 seconded.

2 Call the roll.

3 SECRETARY KUMPULAINIEN: Marin?

4 COMMITTEE MEMBER MARIN: Aye.

5 SECRETARY KUMPULAINIEN: Mulé?

6 COMMITTEE MEMBER MULÉ: Aye.

7 SECRETARY KUMPULAINIEN: Paparian?

8 CHAIRPERSON PAPARIAN: Aye. And we'll put that

9 one on consent.

10 DEPUTY DIRECTOR SCHIAVO: Okay. Item 17 is

11 consideration of a second SB 1066 time extension

12 application by the following jurisdictions: El Dorado

13 County unincorporated and the City of South Lake Tahoe, El

14 Dorado County.

15 And this is being presented by Kyle Pogue.

16 MR. POGUE: Good afternoon.

17 El Dorado County unincorporated and the City of

18 South lake Tahoe have requested time extensions through

19 December 31st, 2005.

20 The specific reasons that El Dorado County

21 unincorporated needs a second time extension are as

22 follows:

23 A second time extension is needed due to a

24 significant change in diversion program approaches on the

25 western slope of El Dorado County. The county originally

1 planned to site a mixed waste composting facility in the  
2 Placerville area, but was unable to locate an operator for  
3 such a facility. Instead the county decided to implement  
4 a different set of diversion programs that will take  
5 additional time to implement.

6 Those programs are: A residential curbside  
7 recycling and green waste program and a commercial  
8 recycling program.

9 In addition, the county will continue to move  
10 forward with the construction and demolition recycling  
11 ordinance to capture additional C&D diversion and a mixed  
12 waste compost system on the eastern slope of the county.  
13 These diversion programs are projected to increase the  
14 county's diversion rate by approximately 19 percent in an  
15 effort to exceed the 50-percent diversion requirement.

16 The specific reasons the City of South Lake Tahoe  
17 needs a second time extension are as follows: The city  
18 originally requested its first time extension through  
19 December 31st, 2005, due to the complexities of siting a  
20 mixed waste compost facility within the city. The Board  
21 shortened that timeframe to July 1, 2004, and directed  
22 city staff to submit a secondary time extension if needed.

23 The city, while completing the implementaion of  
24 several of the programs selected in the first time  
25 extension, was unable to site the mixed waste compost



1 facility by the July 1st, 2004, timeframe. Therefore, the  
2 city is submitting a second extension request.

3 The programs the city will implement -- will  
4 continue to develop are the mixed waste compost facility;  
5 a construction and demolition and recycling ordinance; and  
6 associated expansion of the South Tahoe Refuse MRF to  
7 recycle that C&D material, expansion of the commercial  
8 onsite collection of recyclables, expansion of a beverage  
9 container recycling program.

10 These programs are anticipated to increase the  
11 city's diversion rate by roughly 13 percent in an effort  
12 to exceed the 50-percent diversion requirement.

13 Board staff has determined that the information  
14 submitted in these applications is adequately documented.  
15 Based on this information, Board staff is recommending  
16 that the Board approve the time extension requests for the  
17 unincorporated area of El Dorado County and the City of  
18 South Lake Tahoe.

19 We do want to point out, the representatives from  
20 El Dorado County and from South Lake Tahoe are both here  
21 if you have any questions. And I appreciate them holding  
22 out through other items.

23 Thank you.

24 CHAIRPERSON PAPARIAN: Any questions?

25 I know you had a whole lot of questions, right?

1 COMMITTEE MEMBER MARIN: I did, quite a lot,  
2 between El Dorado and South Lake Tahoe. I don't know  
3 where he prepared his report. I think it was in Hawaii.

4 (Laughter.)

5 COMMITTEE MEMBER MARIN: I don't have any  
6 questions, Mr. Chairman. I'm just -- I tried to give my  
7 staff some --

8 CHAIRPERSON PAPARIAN: For the people here from  
9 El Dorado County, sorry. It's an inside joke.

10 COMMITTEE MEMBER MARIN: Kyle is the best staff  
11 person that you can probably imagine, right, those people  
12 from El Dorado and from South Lake Tahoe? I like to give  
13 him a hard time when we can. Not always though.

14 But I have no problems, Mr. Chairman, with that.

15 I will move the item.

16 CHAIRPERSON PAPARIAN: Okay. So Board Member  
17 Marin moves Resolution 2005-41.

18 COMMITTEE MEMBER MULÉ: Second.

19 CHAIRPERSON PAPARIAN: Board Member Mulé seconds.

20 We'll substitute the previous roll call and put  
21 this on consent.

22 DEPUTY DIRECTOR SCHIAVO: Okay. Item No. 18 is  
23 consideration of a request to change the base year to 2002  
24 for the previously approved Source Reduction and Recycling  
25 Element for the City of Lincoln.

1           And Marshalle Graham will present this item.

2           MS. GRAHAM: Good afternoon.

3           The City of Lincoln submitted a request to change  
4 its base year to 2002. The city originally submitted a  
5 new base year request change with a diversion rate of 75  
6 percent.

7           As a result of Board staff's verification of the  
8 base year study data, staff is recommending a number of  
9 changes. These changes can be seen in their entirety in  
10 Attachment 3 of this agenda item.

11           With these changes the City of Lincoln's rate for  
12 the 2002 new base year would be 73 percent.

13           In addition, the city submitted documentation for  
14 a base year -- excuse me -- a biomass claim which  
15 increases the 2002 diversion rate by .4 percent. This  
16 increase, however, does not result in an increase to the  
17 staff recommended diversion rate of 73 percent when  
18 rounded to the nearest whole percent.

19           Board staff has determined that the information  
20 for both the new base year and the city's petition for  
21 biomass diversion credit is adequately documented.  
22 Therefore, Board staff is recommending Option 2 of the  
23 agenda item.

24           A representative of the city is present to assist  
25 with any questions you may have.

1           And that concludes my presentation. Thank you.

2           CHAIRPERSON PAPARIAN: Okay. That's Mr. -- thank  
3 you. That's Mr. Pedri, is it?

4           MS. GRAHAM: Excuse me. Mr. Pedri could not make  
5 it. Larry Buckle is here with the -- he's the consultant  
6 for the city.

7           CHAIRPERSON PAPARIAN: It's not so much a  
8 question. It's a congratulations. We don't see many this  
9 high.

10          MR. BUCKLE: I'll be sure and pass that on to the  
11 city council.

12          CHAIRPERSON PAPARIAN: And can you identify  
13 yourself for the record.

14          MR. BUCKLE: I'm Larry Buckle. I'm a consultant  
15 for the City of Lincoln.

16          CHAIRPERSON PAPARIAN: And what would you  
17 generally attribute the high numbers to?

18          MR. BUCKLE: Well, the City of Lincoln has gone  
19 through a fairly significant transition over the last five  
20 years. It was a sleepy little town. And it's now  
21 currently I believe the fastest growing community in  
22 California for the last couple of years and always in the  
23 top ten for at least the last five years.

24          And also we have a few very, very good  
25 companies -- corporations in the city that are conducting

1 in and of themselves some very aggressive recycling  
2 operations. And they have helped us significantly to  
3 achieve the numbers that have been presented today.

4 CHAIRPERSON PAPARIAN: Okay. Thank you.

5 COMMITTEE MEMBER MULÉ: I just have one question.  
6 What was your old diversion rate?

7 MR. BUCKLE: Pardon me?

8 COMMITTEE MEMBER MULÉ: Your diversion rate prior  
9 to your base year.

10 MR. BUCKLE: I believe that before we did the new  
11 base year it was a negative three or four percent.

12 COMMITTEE MEMBER MARIN: Well, it says in 1990 --  
13 was 2002 diversion rate using 1990 base year was 25  
14 percent.

15 COMMITTEE MEMBER MULÉ: Twenty-five?

16 COMMITTEE MEMBER MARIN: Right.

17 DPLA OFFICE OF LOCAL ASSISTANCE BRANCH MANAGER

18 MORGAN: That's correct.

19 MR. BUCKLE: Okay.

20 COMMITTEE MEMBER MULÉ: Thank you.

21 COMMITTEE MEMBER MARIN: You know, Mr. Chairman,  
22 I think we should hold them accountable to 80 percent.

23 (Laughter.)

24 COMMITTEE MEMBER MARIN: We'll give -- I think we  
25 should be greedy, Mr. Chairman.

1           No, congratulations. That's no problem doing  
2 this minor adjustment. But I really -- I second what he  
3 just mentioned. I think we need to have cities like  
4 Lincoln go out there and let the world know that even the  
5 small city, facing the challenges that you are with  
6 growth, you experience -- you still nevertheless are  
7 meeting a 73-percent diversion rate. I think that's  
8 pretty commendable.

9           MR. BUCKLE: Thank you very much.

10          COMMITTEE MEMBER MULÉ: With that, I'd like to  
11 move resolution 2005-42.

12          COMMITTEE MEMBER MARIN: Second.

13          CHAIRPERSON PAPARIAN: Okay. It's been moved and  
14 seconded.

15          We'll substitute the previous roll call, put that  
16 on consent. And note that it's unusual to have a  
17 percentage that equals Mr. Harvey's age.

18          (Laughter.)

19          DEPUTY DIRECTOR SCHIAVO: I think he wants a new  
20 base year.

21          Okay. Item 19 is consideration of the adequacy  
22 of the five-year review report for the countywide  
23 integrated waste management plan for the County of Santa  
24 Cruz.

25          And Terri Edwards will present this item.

1 MS. EDWARDS: Good afternoon, Committee Chair and  
2 Committee members.

3 Each county is required to review its countywide  
4 integrated waste management plan every five years to  
5 determine if any revisions are necessary. Santa Cruz  
6 County has submitted the first five-year review report of  
7 its countywide plan.

8 The county determined that a revision of the  
9 county's plan was not necessary at this time.

10 Board staff has evaluated the county's report and  
11 determined that the required elements for the five-year  
12 review have been addressed. Therefore, it is staff's  
13 recommendation that the Board approve the county's  
14 assessment that no revision is necessary.

15 Board staff and a representative from the county  
16 are present to answer any questions you may have.

17 This concludes my presentation. Thank you.

18 CHAIRPERSON PAPARIAN: Any questions?

19 I think -- this is another one that points to  
20 some success. I note that -- as far as I can tell, all  
21 the jurisdictions in Santa Cruz County have been  
22 systematically increasing their diversion rates over time.  
23 Good work.

24

25 COMMITTEE MEMBER MULÉ: With that -- oh, go

1 ahead.

2 COMMITTEE MEMBER MARIN: Move approval of  
3 2005-43.

4 COMMITTEE MEMBER MULÉ: Second.

5 CHAIRPERSON PAPARIAN: Okay. It's been moved and  
6 seconded.

7 We'll substitute the previous roll call and put  
8 that one on consent.

9 DEPUTY DIRECTOR SCHIAVO: Okay. Item 20 is  
10 consideration of a request to change the base year to 2001  
11 for consideration of the 2001-2002 biennial review  
12 findings for the County of Sacramento/City of Citrus  
13 Heights Regional Agency, Sacramento County.

14 I would like to mention that on page 20-4 we have  
15 a minor edit to the amount of overall diversion. However,  
16 it didn't change the diversion rate.

17 And this item will be presented by Kyle what's  
18 his face -- Pogue.

19 (Laughter.)

20 MR. POGUE: Hello again. I know if you stop  
21 giving me a hard time, then I'm really in trouble. So --

22 (Laughter.)

23 MR. POGUE: -- keep it up.

24 Thank you for pointing out the revision. The  
25 revision basically upped the diversion -- upped the total



1 amount of diversion about 11,000 tons based on an error  
2 that I made. So we're correcting that in this item.

3           The Sacramento County/City of Citrus Heights  
4 Regional Agency submitted a request to change their base  
5 year from 1990 to 2001. The agency originally submitted a  
6 new base year change request with a diversion rate of 55  
7 percent for 2001.

8           As part of the base year study review, Board  
9 staff conducted numerous site visits to verify diversion  
10 tonnage claimed. As a result, staff is recommending some  
11 changes to the diversion study. These changes can be seen  
12 in their entirety in Attachment 3 of this agenda item,  
13 which is also being changed slightly. With these changes  
14 the agency's diversion rate for the 2001 new base year  
15 would be 56 percent and the 2002 diversion rate would be  
16 53 percent.

17           Board staff has determined that the base-year  
18 change request is adequately documented.

19           Board staff also conducted a 2001-2002 biennial  
20 review of the agency's Source Reduction and Recycling  
21 Element and Household Hazardous Waste Element program  
22 implementation to date and determined that the agency's  
23 level of program implementation is adequate. Staff  
24 therefore recommends the Board adopt Option 2.

25           Representatives from the regional agency are

1 present to answer any questions. And that concludes my  
2 presentation.

3 CHAIRPERSON PAPARIAN: Thank you.

4 Any questions?

5 COMMITTEE MEMBER MARIN: Well, with that error  
6 being now corrected, Mr. Chairman, because that was a very  
7 important error that was corrected, I can move the item  
8 then.

9 COMMITTEE MEMBER MULÉ: Second.

10 CHAIRPERSON PAPARIAN: Okay. It's been moved and  
11 seconded.

12 We'll substitute the previous roll call and put  
13 that one on consent.

14 DEPUTY DIRECTOR SCHIAVO: Okay. And then the  
15 final item is number 21. And this is consideration of  
16 scope of work and interagency agreement with the  
17 Department of General Services for the Development and  
18 Integration of State Contract and Procurement Registration  
19 System and Electronic State Agency Buy-Recycled Campaign  
20 Reporting System.

21 This item will be presenting by Phil Morales.

22 DPLA STATE AND LOCAL ASSISTANCE BRANCH MANAGER

23 MORALES: This item is requesting consideration and  
24 approval of a scope of work and the award of an  
25 interagency agreement with the Department of General

1 Services for the development and integration of the State  
2 Contract Procurement Registration System, referred to as  
3 SCPRS, with the CIB State Agency Buy-Recycled Campaign,  
4 referred to as SABRC -- so much easier than saying those  
5 long terms, isn't it? -- reporting system.

6 The interagency agreement is the amount of a  
7 hundred thousand dollars and is being funded out of the  
8 Integrated Waste Management Account. The term of the  
9 contract will be for 12 months.

10 The scope of work and the interagency agreement  
11 were developed to minimize the amount of effort and time  
12 spent by Board staff and state agencies and facilities  
13 responsible for reporting the total revenue spent on  
14 buy-recycled content purchases.

15 CIWMB staff from both the State Organization  
16 Facilities Assistance Section, SOFA, and Information  
17 Management Branch, IMB, has worked with DGS program and  
18 the IMB staff to develop the scope of work for the  
19 development and testing of the Internet-based reporting  
20 system. This program will automate the SABRC report  
21 process and will provide purchasing numbers on a daily  
22 basis.

23 Full implementaion of this system will not only  
24 increase the overall credibility of the report information  
25 required, but also make it available in RealTime.

1           Technical staff from the Department of General  
2 Services are present and are available to answer any  
3 questions you may have about SCPRS.

4           This concludes staff's presentation.

5           COMMITTEE MEMBER MARIN: Mr. Chairman, I'd like  
6 to move that the CIWMB work with the --

7           THE GRAND JUROR: -- DGS.

8           (Laughter.)

9           CHAIRPERSON PAPARIAN: What you're doing is  
10 you're MTI, you're moving this item.

11          COMMITTEE MEMBER MARIN: I'm joking.

12          I love this thing that you have. The SOW and the  
13 SCPRS went through the SABRC and the SOFA. I think that  
14 once we do that, we'll have a really nice living room.

15          (Laughter.)

16          COMMITTEE MEMBER MARIN: I have no problem with  
17 this item.

18          CHAIRPERSON PAPARIAN: I'll just add. I know the  
19 folks from DGS are here, and I've really -- I've seen just  
20 a change in DGS over the last year or two in terms of, you  
21 know, where I see things, and in terms of a really  
22 willingness to get in and address some of the  
23 procurement-related environmentally preferable  
24 procurement, to work with us on the SABRC system and so  
25 forth.

1           So you can take back that we're very appreciative  
2 of the cooperative attitude we're receiving from DGS.

3           COMMITTEE MEMBER MARIN: DGS is here?

4           Hi, DGS. We're your brothers here from the  
5 CIWMB.

6           CHAIRPERSON PAPARIAN: They have a really cool  
7 conference room if you ever want to --

8           COMMITTEE MEMBER MARIN: I want to go to their  
9 conference, I really do.

10          CHAIRPERSON PAPARIAN: In the ziggurat.

11          COMMITTEE MEMBER MARIN: Along with the SCPRS  
12 and --

13          CHAIRPERSON PAPARIAN: Yeah.

14          COMMITTEE MEMBER MULÉ: With that, I'll move  
15 Resolution 2005-46.

16          COMMITTEE MEMBER MARIN: Second.

17          CHAIRPERSON PAPARIAN: Okay. It's been moved and  
18 seconded.

19          We'll substitute the previous roll call and put  
20 that on consent.

21          That ends the agenda.

22          Is there any public comment?

23          Seeing none, this meeting is adjourned.

24          ////////

25          ////////

1           (Thereupon the California Integrated Waste  
2           Management Board, Sustainability and Market  
3           Development Committee meeting adjourned  
4           at 3:15 p.m.)

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2 I, JAMES F. PETERS, a Certified Shorthand  
3 Reporter of the State of California, and Registered  
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5 That I am a disinterested person herein; that the  
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7 Sustainability and Market Development Committee meeting  
8 was reported in shorthand by me, James F. Peters, a  
9 Certified Shorthand Reporter of the State of California,  
10 and thereafter transcribed into typewriting.

11 I further certify that I am not of counsel or  
12 attorney for any of the parties to said meeting nor in any  
13 way interested in the outcome of said meeting.

14 IN WITNESS WHEREOF, I have hereunto set my hand  
15 this 22nd day of February, 2005.

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